

MARYSVILLE HOUSING ELEMENT 2003 – 2008



INSTITUTE OF GOVERNMENTAL
STUDIES LIBRARY

OCT 22 2004

UNIVERSITY OF CALIFORNIA

ACKNOWLEDGMENTS

MARYSVILLE CITY COUNCIL/COMMUNITY DEVELOPMENT AGENCY

Dirk Helder-Mayor
Paul McNamara-Vice-Mayor
Christina Billeci-Council Member
Jerry Crippen, Member
Bill Harris-Council Member

MARYSVILLE PLANNING AND HISTORICAL PRESERVATION COMMISSION

James Harris
Art Chick
Henry Delamere
Gay Covert
Ed Fleming
Amy Hendrix
Jim Sullivan

MARYSVILLE PLANNING DEPARTMENT

Gary Price, Community Development Coordinator
Emily Pudell, Assistant Planner
Jeri Scheider, Administrative Assistant

COTTON/BRIDGES/ASSOCIATES, CONSULTANTS

Jeffrey M. Goldman, Principal-in-Charge/Project Manager
Zachary Graves
Clement Lau

TABLE OF CONTENTS

I. INTRODUCTION	6
A. Purpose and Contents of the Housing Element	6
B. Community Context	7
C. State Requirements	7
D. Data Sources and Their Use	8
E. Summary of Housing Needs and Strategies	8
F. Public Participation	10
G. General Plan Consistency	11
1. Overview	11
2. Land Use Element	12
3. Open Space, Conservation, and Recreation Element	12
4. Circulation and Scenic Highways Element	13
5. Community Safety and Seismic Safety Element	13
6. Redevelopment Element	13
H. Definitions	14
II. COMMUNITY PROFILE	15
A. Population and Household Characteristics	15
1. Overview	15
2. Population Trends	15
3. Age Characteristics	16
4. Race and Ethnicity	17
5. Household Type	18
6. Household Income	19
B. Housing Stock Characteristics	21
1. Housing Type	21
2. Tenure	22
3. Housing Vacancy	25
4. Overcrowding	25
5. Housing Costs	26
6. Overpayment for Housing	29
7. Housing Age and Condition	32
C. Employment Trends	34
1. Overview	34
D. Special Housing Needs	37
1. Seniors	37
2. Persons with Disabilities	38
3. Farmworkers	39
4. Single-Parents	40
5. Large Households	40
6. Homeless	40
E. Analysis of Assisted Housing Projects At-Risk	41
1. Analysis of Assisted Rental Housing Projects At-Risk of Conversion	41
2. Loss of Assisted Housing	42
3. Preservation and Replacement Options	43
4. Organizations Interested in Preserving Assisted Rental Housing	45
F. Opportunities for Energy Conservation	46

G. Future Housing Needs.....	47
1. Overview.....	47
2. Options for Complying with the Adequate Site Requirement.....	48
3. Progress toward Meeting Housing Needs.....	49
III. RESOURCES AND CONSTRAINTS.....	51
A. Resources.....	51
1. Available Land to Accommodate Housing	51
2. Administrative and Financial Resources	57
B. Constraints	64
1. Governmental Constraints.....	64
2. Non-Governmental Constraints.....	87
IV. HOUSING STRATEGY.....	91
A. Evaluation of Past Achievements	91
B. Goals, Policies, and Programs.....	112
Goal One: To Accommodate the City's Share of Regional Housing Needs for All Income Groups	112
Goal Two: Encourage the Provision of Affordable Housing.....	117
Goal Three: Improve/Conserve the Existing Supply Of Housing	122
Goal Four: To Conserve Existing Affordable Housing.....	125
Goal Five: To Ensure Equal Housing Opportunity	125
Goal Six: To Promote Energy Conservation	126
Goal Seven: To Promote the Preservation of Historic Residences	128
C. Summary of Quantified Objectives.....	129
Appendix A: Public Participation.....	130
Public Notice Distribution List.....	130
Public Notice.....	131
Public Comments	132
Summary of Written Comments.....	132
Appendix B: Housing Survey Methodology	134
Appendix C: Federal Funding for Assisted Rental Housing	136
Appendix D: Income Definitions.....	137
Appendix E: State Guidelines for Program Evaluation.....	138

LIST OF TABLES AND FIGURES

Table II-1: Yuba County Population Growth: 1990 and 2000	15
Table II-2: Population Projections: 2000 – 2020	16
Table II-3: Age Characteristics: 1990 and 2000	17
Table II-4: Marysville Race and Ethnicity: 1990 and 2000.....	18
Table II-5: Changes in Household Type (1990 – 2000)	19
Table II-6: Household Income by Tenure	20
Table II-7: Poverty Status in 1999	21
Table II-8: Changes in Marysville's Housing Stock	22
Table II-9: Housing Tenure.....	22
Table II-10: Tenure by Units in Structure	23
Table II-11: Tenure by Race and Hispanic Origin	24

Table II-12: Tenure by Age of Householder	24
Table II-13: Unit Vacancy and Rate	25
Table II-14: Persons per Room in All Occupied Housing Units.....	26
Table II-15: Single Family Owner-Occupied Home Values	27
Table II-16: Contract Rents for the City of Marysville	28
Table II-17: Median Asking Rents.....	29
Table II-18: Households Paying 30% or More of Income for Housing.....	30
Table II-19: Tenure by Percentage of Income Spent on Monthly Housing Costs.....	31
Table II-20: Age of Housing Units in Marysville	32
Table II-21: Mercy Housing Conditions Report	33
Table II-22: Yuba-Sutter Occupational Employment and Wage Data	35
Table II-23: Major Employers in and near Marysville	36
Table II-24: Commuting Workers	36
Table II-25: County and City Unemployment Rates	37
Table II-26: Major Homeless Facilities/Providers in Marysville Area	41
Table II-27: Inventory of Publicly Assisted Rental Housing in Region.....	42
Table II-28: Market Value of At-Risk Projects	44
Table II-29: Rental Subsidies Required	44
Table II-30: Regional Housing Allocation 2002-2007.....	48
Table II-31: Progress in Meeting Regional Housing Allocation	50
Table III-2: Commercial Structures with Housing Potential.....	56
Figure III-1: Location of Vacant Sites	57
Figure III-2: Special Planning Areas.....	67
Table III-5: Residential Development Standards	72
Table III-6: Marysville Street Standards.....	79
Table III-7: Planning and Development Fees (per unit).....	80
Table III-9: Disposition of Home Purchase Loans	88
Table III-10: Disposition of Home Improvement Loans	89
Table III-11: Construction Costs in Marysville (Single-Family Home)	90
Table III-12: Construction Costs in Marysville (Multifamily Housing Units).....	90
Table D-1: Income Limits by Family Size (2003)	137



I. INTRODUCTION

A. PURPOSE AND CONTENTS OF THE HOUSING ELEMENT

The Marysville Housing Element is part of the City's General Plan, a comprehensive policy statement regarding the physical, economic, and social development of the City; the preservation and conservation of natural human features of the landscape, particularly historic buildings and sites; and, the redevelopment and re-use of land and buildings within the City.

The Housing Element addresses one of the most basic human needs—shelter. For this reason the Housing Element represents a critical link between land use and transportation policies, which define the location, layout, and movement of people and goods, and environmental/resource policies. For a region to have a strong and balanced economy, its workers must also have places to live within their economic means. From the perspective of human needs, housing should be high on the hierarchy of policy priorities. Yet, in a typical community, places for people to live usually require more land than any other human activity. Although housing represents a high priority, as a land use, it must still be balanced with the community's economic needs and environmental, resource, and open space protection policies, which are also essential aspects of the City's General Plan.

The Housing Element contains three parts: a community profile, an analysis of resources and constraints, and a housing strategy. The community profile contains an analysis of population housing, and employment characteristics and trends; the needs of special population groups such as seniors, large families, and persons with disabilities; indicators of unmet need, such as overcrowding, overpayment, substandard housing, and the potential loss of affordable rental housing; and future housing construction needs. The purpose of the community profile is to characterize existing conditions and unmet housing needs among Marysville's residents and to plan for future residents expected to reside in the City.

The second part of the Element analyzes resources and constraints to meeting the housing needs identified in the community profile. Resources include the availability of land, public and private organizations that provide housing and supportive services, and funding to implement the City's housing strategy.

Constraints include the impacts of government action on housing availability and affordability, the interaction of market forces, and environmental conditions. In this section of the Element, the City will analyze the magnitude of potential constraints and identify potential mitigation measures to reduce the impacts of constraints.

The third part of the Housing Element contains the City's housing strategy—goals, policies, implementing actions, and quantified objectives to meet identified housing needs, reduce constraints, and make effective use of available resources. As part of its strategy, the City will identify the agencies responsible for implementing actions contained in the Housing Element, timeframes for actions, and the anticipated results, quantified when possible.

B. COMMUNITY CONTEXT

The capacity of Marysville to accommodate additional residential development is determined largely by the City's location at the confluence of the Feather and Yuba Rivers. The mean elevation of the City is below the flood level elevation of the two rivers. Marysville's is surrounded by a system of levees surrounding the City. While the levee system created a habitable community, it also created a barrier to the City's physical expansion. As a result, development within the current City limits is confined to relatively small, vacant infill sites or the re-use of underutilized properties. The City estimates that less than 20 acres of vacant land exists within the current City limits, most of which are sites of less than one acre.

The City's enclosure by levees has also created a relatively compact community, in which most residents are within comfortable walking distance or a short drive to downtown Marysville. The developed City area within the levees occupies about 2,000 acres of land, or just over three square miles. The City has a residential density typical of small, central city communities, but higher than most suburban communities.

Expansion of City outside its current City limits can occur to the north and east, but only if the levee system that protects the City is extended and public services and facilities are available. A specific plan proposed in 1991 (North Marysville Specific Plan) that will extend the City limits northward, but the City has yet to annex the area covered by the plan.

The unique physical characteristics of the City have greatly impacted its development rate and pattern of growth. Population growth in Marysville throughout this century has averaged about one percent per year. During the 1980s, Marysville experienced a population increase of over two percent per year, primarily due to a higher rate of occupancy of the existing housing stock and larger household sizes. Between 1990 and 2002, however, the City experienced a small population loss.

Despite the population contraction in the City during the 1990s, the long-term prospects appear greater for growth and development. Continued expansion of the Sacramento Valley economy, in combination with completed and planned improvements to State highways 99 and 70 between Marysville and Sacramento will increase economic and commuting ties between the City and Sacramento. The demand for housing and population growth will be affected by the increasing number of workers living in Marysville and commuting to job centers in the southern Sacramento Valley.

The City's challenge for the 21st century will be to establish land use and housing policies that can increase the effective use of the remaining vacant land, provide additional housing opportunities through the redevelopment of existing uses, and ultimately, expand Marysville's development potential through the expansion of the levee system and public facilities beyond the present City limits. If the City is able to address these challenges, it can also improve long-term prospects for the City's economic well-being.

C. STATE REQUIREMENTS

The California Legislature adopted requirements in 1980 for the contents of housing elements (California Government Code sections 65580 to 65589.5). Among these legislative requirements is the mandate that housing elements consist of an identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, and programs for the

preservation, improvement, and development of housing. Although state law regarding housing elements requires communities to address the needs of all residents, particular attention in the housing element law is devoted to the needs of low- and moderate-income households. Specifically, state law requires housing elements to:

- identify adequate sites to facilitate and encourage housing for all income levels;
- remove governmental constraints to housing production, maintenance, and improvement;
- assist in the development of adequate housing for low- and moderate-income households;
- conserve and improve the condition of existing affordable housing; and
- promote housing opportunities for all persons.

The contents of a housing element, as mandated by state law, include:

- an assessment of housing needs that includes an analysis of population and housing characteristics, employment and population projections, special housing needs, subsidized rental housing at-risk of conversion, future housing construction need (regional housing allocation), and opportunities for energy conservation;
- an analysis of constraints (governmental and non-governmental) to the maintenance, improvement, or development of housing for all income levels;
- an inventory of vacant and underutilized sites by zoning category, with an assessment of the availability public facilities, and services to those sites; and
- a housing strategy containing an evaluation of past program achievements, goals, and policies, and a five-year schedule of implementing actions with quantified objectives.

D. DATA SOURCES AND THEIR USE

A variety of local, regional, state, federal, and private sources of information were used to prepare the 2003 Housing Element. As required by state law (Government Code Section 65584), the principal source of information used to determine future housing construction need is the Sacramento Area Council of Governments (SACOG) Regional Housing Needs Plan, adopted September 2001. Other principal sources of information included the U. S Census Bureau, the California Department of Finance, the California Employment Development Department, California Health and Welfare Agency reports, the City of Marysville, the County of Yuba, the Yuba-Sutter Economic Development Agency, the California Association of Realtors, local nonprofit organization serving special needs population, and local real estate and property management firms.

E. SUMMARY OF HOUSING NEEDS AND STRATEGIES

Although the City of Marysville is physically constrained by the system of levees which surround the City, it has not been immune to the growth pressures affecting the southern Sacramento Valley. During the 1980s, the City experienced a substantial influx of new residents. Between 1980 and 1990, the City's total household population (excluding 640 individuals in group quarters) grew by 22

percent, from 9,569 to 11,684. The number of households increased by 15 percent, which means that higher population growth was accompanied by a decrease in the average household sizes. Only two-thirds of the increase in households was accommodated by new residential construction as the City's housing stock grew by just ten percent over ten years, to 5,083 housing units. The remaining five percent increase in households was accommodated by the existing housing stock.

As the City reached build out during the 1990s, housing construction and population growth slowed. The City actually lost population between 1990 and 2002, a decline of about 0.5 percent from 12,324 to 12,268. Most of this decrease was due to changes in group quarters populations (those not living in households), but a small decline in the number of housing units and a small increase in vacancies may have also contributed to the population decline.

Several recently approved housing projects, and others in various stages of approval, are anticipated to reverse the City's population/housing decline during the present decade. As the desire by many residents for living close to work and services increases, Marysville may benefit from the potential for re-use and infill development.

Another significant change in the City's population during the 1990s was a 17.5 percent increase in number of persons of Hispanic origin at the same time virtually all other population groups experienced a numerical decline. This change is significant because Hispanic households tend to have larger households and lower incomes. If these households cannot afford to purchase homes of sufficient size, they may seek, instead, to rent housing.

The composition of Marysville's population by age group also changed during the 1990s, with more school age children, young adults age 18 to 24, and adults in their middle years (age 35 to 54). The growth of families with school age children suggests a greater need for family housing in the future. The decline in the number of older adults may be due to the type of community environment, housing, and services available elsewhere in the region that seniors' desire.

Nearly half of Marysville residents have low-incomes. Those most likely to have low incomes are single parents with children, the elderly and large families. Citywide, about 15 percent of individuals had poverty-level incomes in 2000 (a federally defined level of income that is the minimum needed for subsistence living). Families with children, particularly female headed households with children, were most likely to live below the poverty level, with poverty rates ranging from 24 to 46 percent. Conversely, seniors had relatively low rates of poverty, just over seven percent in 2000.

Multifamily dwellings comprise over 40 percent of the housing stock, and renters outnumber home owners 58 percent to 42 percent. The proportion of multifamily housing and renters is significantly higher than in most other small communities and the averages statewide (43 percent renters and 29 percent multifamily housing in California). The high percentages of renters and multifamily housing are related to lower incomes in Marysville, as renters have significantly lower incomes than homeowners.

During the 1990s, homeownership declined slightly, largely due to an increase in the number of renter-occupied single-family homes. The change in tenure during the 1990s may be related to the rise in the number of Hispanic families, most of whom have low incomes are cannot afford to purchase homes of sufficient size to meet their housing needs. According to the 2000 Census, only one-third of Hispanic households are homeowners.

Housing costs in Marysville during the 1990s increased at about the same rate as inflation and slightly below gains in household income. In 2002, the median price for an existing home was about

\$115,000, and the median rent was in the low \$400 range. However, housing in Marysville has become increasingly unaffordable to lower-income households, particularly households earning less than 50 percent of the Yuba County median income (nearly \$20,000 in 2002). Among renters in this income group, 69 percent paid more than 30 percent of their incomes for housing expenses, a common measure of housing affordability. Among homeowners in this income group, 61 percent paid 30 percent or more for housing.

The condition of older housing remains a concern in Marysville. In 1990, over one-third of housing units required rehabilitation or replacement. In 2001, housing conditions had improved so that about one-quarter (24 percent) of housing units are in need of repair or replacement. Multifamily housing is more likely to need rehabilitation or replacement than single-family housing in Marysville. Over 40 percent of multifamily housing was found to be in need of rehabilitation or replacement in a survey conducted in 2001.

Future housing needs in Marysville will be affected by regional employment trends in the Yuba-Sutter area. According to the California Employment Development Department, two of the three employment sectors expected to experience the greatest job growth, retail and service industries, tend to create jobs with low- to moderate-income wages.

Marysville should plan to accommodate 170 additional housing units between 2000 and 2007, according to a regional housing plan adopted by the Sacramento Area Council of Governments. Nearly 60 of these housing units should be affordable to households with incomes less than 80 percent of the Yuba County median income. The City has determined that it could potentially accommodate about 430 additional dwelling units during this timeframe in consideration of homes constructed since 2000, housing units approved in 2002, and residential development potential on vacant sites and on the second floor of commercial structures in the downtown area.

To address the community conditions and housing needs presented in this document, the City has adopted a strategy of accommodating the minimum number of new units assigned by the Sacramento Area Council of Governments (SACOG) as the City's share of regional housing needs. Marysville has also adopted policies and programs to facilitate and assist in the production and rehabilitation of a wide range of housing, shelter, and supportive services for all income levels and special needs groups.

F. PUBLIC PARTICIPATION

The City of Marysville encouraged participation by all segments of the community in the preparation of the Housing Element through a combination of general public notices and direct contacts with organizations serving low-income and special needs groups and inviting them to attend public workshops and hearings on the Housing Element. Because Marysville is a small, compact community, it is relatively easy to inform individuals and organizations of public events and encourage their participation. To provide opportunities for public participation in the preparation of the Housing Element, the City conducted a public workshop on January 15, 2003 to explain the purpose and contents of the Housing Element, state requirements, and the update process. The City also solicited public comments on key issues and information sources on which to focus the update. The City also conducted public hearings before the Planning Commission and City Council and the Housing Element to solicit public comments prior to adoption. The Planning Commission hearing was held on February 26, 2003 and the City Council hearing on April 1, 2003.

To ensure that all segments of the community were notified of the public events, the City published public notices in the *Appeal Democrat*, the local newspaper of general circulation, and posted notices at City Hall and other public locations. To ensure participation by low-income residents and organizations serving their needs, the City compiled a list of public agencies and nonprofit organizations that provide housing and social services to low-income residents of Marysville. The City mailed notices of the public workshops and hearings directly to these agencies and organizations to request their attendance at public meetings. Appendix A contains a list of agencies and community organizations contacted by the City.

Public comments on the draft Housing Element included the following:

- Organizations serving the homeless and those at-risk of homelessness are facing increasing challenges in providing sufficient shelter and supportive services for their clients. The clientele in need has increased at the same time housing costs have increased, making it more difficult for organizations to transition their clients from temporary shelter or transitional housing to independent living.
- The population has grown tremendously since 2000 and rents have increased considerably. The waiting list for assisted senior rental housing is increasing faster than the availability of assistance.
- The City Council should consider policies that will facilitate the transition to permanent housing of individuals with the greatest challenges (such as “graduates” of substance abuse recovery programs, those on restricted incomes who cannot afford the initial costs of rental housing, and those with poor credits history).
- Because housing and property costs are lower in Marysville, many of the organizations that provide shelter, housing, and supportive services in the region locate in the City and serve a regional client base.

To address these comments, the City has incorporated policies and actions in the Element to increase the supply of alternative housing types, facilities, and supportive services for special needs groups, including seniors and persons at-risk of homelessness; to provide flexible regulatory scheme that permits a wide range of housing in residential and nonresidential zones; and to continue to commit the City to actively supporting and funding affordable housing development.

G. GENERAL PLAN CONSISTENCY

1. Overview

California Government Code Section 65300.5 requires that a general plan be internally consistent, meaning that no conflicts exist among the elements of the plan. Government Code section 65583(c) requires that a housing element describe how consistency has been achieved among the general plan elements. The most important aspect of consistency among general plan elements is that policies and implementation measures do not conflict, but support one another to achieve the overall goals and vision of a general plan.

In preparing the 2003 Housing Element, the City reviewed goals and policies of the various elements of the Marysville General Plan. The City has concluded that the 2003 Housing Element is consistent with other General Plan elements. Consistency has been achieved through the adoption of

complementary policies in each of the elements that support the goals and policies of the other elements. Policies in other General Plan elements that affect housing are summarized below.

2. Land Use Element

Policies that relate to housing include:

- Preserve and enhance the quality of existing residential areas.
- Continue programs for the prevention and removal of blight.
- Make land available outside of the city limits for residential development upon demonstrated need.
- Designate three categories of residential land use: low-density (1 – 12 units/acre), medium-density (up to 24 units/acre), and high-density (up to 48 units/acre).

These policies are consistent with the goals of the Housing Element to improve the quality of older housing and residential neighborhoods, provide land for housing development according to the City's future new construction needs, and accommodate a variety of housing types and densities to meet the needs of all income groups. The City has determined that the medium and high-density land use categories, in particular, are consistent with the feasibility of providing housing for low- and moderate-income households. These land use classifications have been implemented in the City's Zoning Ordinance (Title 18 of the Marysville Municipal Code) through the creation of four residential zones.

Few of the properties designated in the General Plan for residential use are vacant—there are few remaining vacant sites of any land use classification in the City—and most of the vacant sites are small, infill parcels. However, the General Plan, Redevelopment Plan, and the Marysville Plaza Urban Design and Development Plan (covering a portion of the City's redevelopment project area), provide significant opportunities for the re-use of underutilized properties and buildings to meet the City's housing needs, particularly for low- and moderate-income households.

3. Open Space, Conservation, and Recreation Element

Policies that relate to housing include:

- Protect historically significant areas and encourage their preservation and rehabilitation.
- Encourage energy conservation in new development.

History, as expressed through buildings and sites representative of the past, is fundamental to Marysville's character and identity. Conservation of Marysville's history also contributes to the achievement of the City's housing objectives. Some of the housing opportunity sites in Marysville are historic structures that once provided housing or can be adapted to residential use.

Conservation of natural resources is also an important objective of the Housing Element. Long-term cost reductions can be achieved by reducing the consumption of energy in the construction, maintenance, and operation of housing.

4. Circulation and Scenic Highways Element

Policies that relate to housing include:

- Require that new streets be built to City standards.
- Promote pedestrian convenience through requirements that connect residential development with commercial, shopping, and employment centers.

The City's has established street standards that meet the circulation and safety needs of the community without imposing unreasonable costs on new residential development. The General Plan policy regarding street standards is consistent, therefore, with the Housing Element policies for affordable housing.

The promotion of pedestrian linkages supports Housing Element policies that seek to provide access to persons with special needs and the location of special needs housing in relation to supportive services, commercial services, and employment.

5. Community Safety and Seismic Safety Element

Policies that relate to housing include:

- Enforce building codes, fire codes, and city ordinances in regard to fire and fire protection.
- Maintain adequate street widths for fire protection equipment, provide adequate turning radius.

Code enforcement for unsafe buildings complements the City's housing policies to improve the City's older housing stock and reduce substandard housing conditions.

Marysville has established street improvement standards that balance considerations of fire safety and emergency access with cost. Policies for fire protection and emergency access are consistent with Housing Element policies for mitigating the cost of public improvement requirements on housing affordability.

6. Redevelopment Element

Policies that relate to housing include:

- Ensure that all future redevelopment activity within Marysville is consistent with the Marysville Plaza Redevelopment Plan, the Marysville Plaza Urban Design and Development Plan, and individuals target area plans.
- Preserve and restore sites having historic significance.
- Ensure replacement housing is available prior to residential displacement.
- Encourage the provision of adequate off-street parking in all project area development plans.

The City has adopted minimum design guidelines and development standards for the redevelopment project area to ensure that activities are consistent with the historic character of the area, follow

building code standards for the re-use of existing buildings, and provide adequate parking. The project area standards are consistent with Housing Element policies that encourage the re-use of properties and small, vacant infill parcels in the downtown area for housing and mixed-use. The redevelopment plan also ensures that any housing removed which is occupied by low- or moderate-income households is replaced. The redevelopment plan assists in the preservation and/or replacement of affordable housing, consistent with the policies of the Housing Element.

H. DEFINITIONS

Certain terms are used repeatedly in this document and are defined below:

Affordability. For homeowners, "affordability" is usually defined by the maximum percentage of gross income allowed by mortgage lenders in qualifying home buyers. Lenders will usually allow a borrower to devote no more than 35 percent of gross income to housing costs, including the mortgage, taxes, insurance, municipal services, and utilities. Because certain homeowner expenses are tax deductible, homeowners can receive substantial tax savings relative to renters paying an identical proportion of gross income to housing expenses. However, very low- and low-income households have lower marginal tax rates and do not receive as significant a tax savings from homeownership as do moderate- and above moderate-income households (see income definitions below). For this reason, the City will define "affordability" for very low- and low-income households as an expenditure of no more than 30 percent of a household's gross income before taxes and for moderate- and above moderate-income as an expenditure of no more than 35 percent of gross income before taxes.

For very low- through moderate-income renters, "affordability" is defined as an expenditure of no more than 30 percent of gross income before taxes on housing costs (rent plus utilities).

Housing Cost. For homeowners, housing cost includes payments for home loans (principal and interest), property taxes, insurance and utilities. For renters, housing cost includes payments for rent and utilities.

Housing Types. Housing types are as defined in the Marysville Zoning Ordinance (Title 16 of the Marysville Municipal Code), Chapter 18.04, and include: apartment houses, apartment hotels, boarding houses, community care facilities (including group care facilities and residential care homes), group dwellings (two or more detached dwellings on a single parcel), one-family dwellings (single-family homes), two-family dwellings (duplexes and halfplexes), multiple-family dwellings (multifamily dwellings intended for occupancy by three or more persons), mobile homes, rooming houses, and second residential units.

Income Categories. Very Low-income equals 50 percent or less of the median Yuba County income as estimated annually by the federal Department of Housing and Urban Development. Low-income equals 50 percent to 80 percent of the Yuba County median income. Moderate-income equals 80 percent to 120 percent of the Yuba County median income. Above moderate-income equals 120 percent or more of the Yuba County median income.

Median Income. A dollar amount at which 50 percent of households earn more and 50 percent earn less.



II. COMMUNITY PROFILE

Addressing the current and future housing needs of Marysville residents requires a comprehensive assessment of the community's housing needs. An understanding of these needs provides the basis for an appropriate and adequate housing strategy (refer to Section IV). This section presents an analysis of the demographic, socioeconomic, and housing characteristics that may affect housing needs in Marysville.

A. POPULATION AND HOUSEHOLD CHARACTERISTICS

1. Overview

The type and amount of housing need in a community is largely determined by population growth and demographic characteristics, such as age and household size, and income. An analysis of population and household trends helps to draw a picture of the community and how the community has changed over time.

2. Population Trends

Marysville is the largest incorporated city in Yuba County, with a current estimated population of 12,281, according to the California Department of Finance. Census data showed that between 1990 and 2000, the City's population decreased by 0.5 percent, or by 56 residents (see Table II-1). During the same period, the City of Wheatland and Yuba County grew 39.5 percent, and 3.4 percent, respectively.

Most of the decrease in the City population occurred through a decline in the group quarters population (individuals not living in households). The group quarters population, which declined from 640 to 607 individuals between 1990 and 2000, comprises nearly five percent of the Marysville's population. Group quarter's populations can vary significantly from year to year, especially over a ten-year period in a small community such as Marysville. As the county seat of Yuba County, Marysville houses several regional serving group quarters facilities, including the county jail, the county's juvenile correctional facility, group homes for individuals recovering from substance abuse (some of whom are former inmates of the County's correctional facilities), nursing homes, and homeless shelters. Section D of this chapter, Special Housing Needs, provides more information on groups quarters populations.

Table II-1: Yuba County Population Growth: 1990 and 2000

Jurisdiction	1990 Population	2000 Population	Numeric Change	Percent Change
Yuba County	58,228	60,219	1,991	3.4%
Marysville	12,324	12,268	-56	-0.5%
Wheatland	1,631	2,275	644	39.5%

Sources: U.S. Census, 1990 and 2000

Marysville's population is projected to grow to 13,450 (a ten percent increase) from 2000 to 2020, based on projections from the Sacramento Area Council of Governments (SACOG). Table II-2 shows projected growth for Marysville, Wheatland, and Yuba County between 2000 and 2020. According to these projections, all three jurisdictions are anticipated to grow, but the projected increase for Marysville is considerably less than that of the County (59%) and Wheatland (270%).

Table II-2: Population Projections: 2000 – 2020

Jurisdiction	2000*	2020	Numeric	Percent
	Population	Population	Change	Change
Yuba County	61,530	97,580	36,050	58.6%
Marysville	12,220	13,450	1,230	10.1%
Wheatland	2,040	7,550	5,510	270.1%

Source: SACOG, 2003

* Not based on 2000 census count as shown in Table II-1.

3. Age Characteristics

Each age group has distinct lifestyles, household compositions, and income levels. As individuals move through stages of life, housing needs and preferences also change. For example, young adults typically move more frequently and do not earn as much as do the older adults. Young adults cannot generally afford to, or are not ready to, purchase homes and look for rental housing to meet their needs. In contrast, middle-aged residents (35-54) typically have higher earning potential and higher rates of homeownership.

Residents approaching retirement age or recently retired (early 60s to mid-70s) tend to have the highest rates of homeownership. As the seniors age, the demand for smaller housing or specialized residential developments, such as assisted living facilities or active adult communities, increases to meet the changing lifestyle and self-care abilities of these older adults.

The number of individuals between 18 and 34 years of age comprised 25.7 percent of the total population of Marysville, according to the 2000 Census. A significant portion of this population consisted of young adults in institutional group quarters (such as county correctional facilities). The number of 18 to 24 year olds increased, while the number of 25 to 34 year olds declined. The number of persons age 35 to 54 increased by 20 percent between 1990 and 2000, the only adult age group to show a significant increase.

The number of persons age 55 or more declined 11 percent between 1990 and 2000. This decrease suggests that, once individuals reach their mid-50s, a significant percentage look outside Marysville for housing that meets their changing lifestyle needs. This trend may reverse over the next decade as persons in their mid-40s to mid-50s reach their 50s and 60s, provided the City can provide the type of housing and residential environment those persons in this age group desire. Table II-3 shows the age characteristics of Marysville residents in 1990 and 2000.

Table II-3: Age Characteristics: 1990 and 2000

Age Group	1990		2000		Percentage Point Change 1990-2000
	Persons	Percent	Persons	Percent	
Preschool (<5 yrs.)	1,115	9.0%	896	7.3%	-19.6%
5 to 17	2,198	17.8%	2,479	20.2%	12.8%
18 to 24	1,309	10.6%	1,441	11.7%	10.1%
25 to 34	2,251	18.3%	1,722	14.0%	-23.5%
35 to 44	1,655	13.4%	1,866	15.2%	12.7%
45 to 54	1,075	8.7%	1,414	11.5%	31.5%
55 to 64	990	8.0%	848	6.9%	-14.3%
65 +	1,731	14.0%	1,602	13.1%	-7.5%
Total	12,324	100.0%	12,268	100.0%	-0.5%

Sources: U.S. Census, 1990 and 2000

4. Race and Ethnicity

Race and ethnicity may affect housing needs if there are differences in housing preferences and requirements related to family size, income, the presence of extended family members, and other factors. Marysville, as with the rest of Yuba County, has experienced changes in the racial and ethnic composition of the population. The majority of Marysville residents are non-Hispanic White (65.8%), as shown in Table II-4, but the non-Hispanic White population decreased by almost 14 percent between 1990 and 2000. The number of residents who identified themselves as of Asian/Pacific Islander origin or as Black/African-American also decreased, 9.5 percent and 14 percent respectively. The only group to experience a significant numerical and percentage gain was persons of Latino/Hispanic origin. These residents comprised 17.5 percent of the population in 2000, an increase of 292 percent since 1990.

The State of California saw large gains in the Hispanic population, as well, with an increase of nearly 43% between 1990 and 2000. The 2000 Census showed that the statewide Hispanic population comprised approximately 32 percent of the total population, which means that in comparison to California, the Hispanic population share for Marysville is rather low.

Table II-4: Marysville Race and Ethnicity: 1990 and 2000

Race/Ethnicity	1990		2000		Percent
	Number	Percent	Number	Percent	Change
Race, Not of Latino/Hispanic Origin					
White, not of Hispanic origin	9,357	75.9%	8,069	65.8%	-13.8%
African American	637	5.2%	548	4.5%	-14.0%
Native American	220	1.8%	231	1.9%	5.0%
Asian or Pacific Islander	828	6.7%	749	6.1%	-9.5%
Other race	733	5.9%	519	4.2%	-29.2%
Latino/Hispanic Origin	549	4.5%	2,152	17.5%	292.0%
Total	12,324	100%	12,268	100.0%	-0.5%

Sources: U.S. Census, 1990 and 2000

5. Household Type

The Census indicated that 4,687 households lived in Marysville in 2000. Approximately 60 percent of those households consisted of families, while 40 percent consisted of households comprising persons living alone or unrelated persons living together. Approximately 18 percent of all households consisted of families with children, in contrast to nearly 20 percent consisting of married couples with no children. The number of non-family households (which are typically smaller than family households) increased significantly between 1990 and 2000.

The Census defines a "household" as any group of people occupying a housing unit, which includes persons living alone, families (a group of related individuals), or unrelated persons who share living quarters. Persons living in retirement or convalescent homes, dormitories, or other group living situations are not considered households. Household characteristics are important indicators of the type and size of housing needed in a community. These trends suggest two housing related needs: 1) a moderate increase in the demand for homes with three or more bedrooms to accommodate increasing household and family size, and 2) an increasing demand for smaller housing units and rental housing to accommodate the demands of younger, non-family households.

There were 341 persons in Marysville correctional institutions according to the 2000 Census; a gain of 120% over the City's 1990 population (155 persons). The Census count reflects an increased inmate population partly from the expansion of the County jail. This statistic is important because it could skew the group quarters number significantly. The 341 persons incarcerated at the time of the Census surveys represent 2.8 percent of the total population and 53 percent of the group quarters population in Marysville ; without noting that, one might assume the population was comprised much differently.

Table II-5: Changes in Household Type (1990 – 2000)

Household by Type	1990	%	2000	%	% Change 1990-2000
Household Population					
Total Households	4,799	100%	4,687	100%	-2%
Average Household Size	2.43	(x)	2.49	(x)	2%
Average Family Size	3.06	(x)	3.14	(x)	3%
Family Households (families)	2,976	62%	2,828	60%	-5%
Married-Couple Families	2,069	43%	1,820	39%	-12%
With Children	990	21%	854	18%	-14%
Female Householder, no spouse	671	14%	737	16%	10%
With Children	489	10%	566	12%	16%
Non-family Households	1,759	37%	1,859	40%	6%
Group Quarters (Non Household Population)					
Persons in Group Quarters	640	5%	607	5%	-5%

Sources: U.S. Census, 1990 and 2000

Note: Some cells do not total 100% due to rounding corrections.

6. Household Income

Four categories are typically used to compare incomes. These categories are “very low-income,” “low-income,” “moderate-income,” and “above-moderate-income,” which are defined as a percentage of the Yuba County median income (see Appendix D). These categories are used by most agencies for defining who is “low-” or “moderate-” income for participation in various government programs.

Historically, the majority of City residents have low- and very low-incomes. The median household income in Marysville (approximately \$28,494) was less in 2000 than the countywide median (approximately \$30,460 in 2000). Based on the 2000 Census calculation of the median income for all Yuba County households, about 58 percent of renter-households in Marysville earned 80 percent or less of the County-wide median income.¹ In contrast, only about 25 percent of Marysville owner-households earned less than 80 percent of County-wide median income. Census data indicated that homeowners generally had over twice the median income of renters (approximately \$44,000 for homeowners compared to approximately \$21,000 for renters). As indicated in Table II-6, renters were more likely than homeowners to have low incomes.

Households earning 50 percent or less of the Yuba County median income (roughly \$15,230), are most likely to be affected by rising housing costs and require rental assistance.

¹ The Census Bureau measure of median household income is based on incomes reported by Yuba County households during 1999. This measure is not the same as HUD’s median family income estimate for Yuba County, which tends to be higher and is used to calculate eligibility for various government-assisted housing programs.

Table II-6: Household Income by Tenure

Income	Households	% of Total
Owner occupied	1,953	
Less than \$5,000	22	1%
\$5,000 to \$9,999	49	3%
\$10,000 to \$14,999	142	7%
\$15,000 to \$19,999	148	8%
\$20,000 to \$24,999	115	6%
\$25,000 to \$34,999	267	14%
\$35,000 to \$49,999	437	22%
\$50,000 to \$74,999	405	21%
\$75,000 to \$99,999	204	1%
\$100,000 to \$149,999	114	6%
\$150,000 or more	50	3%
City Median Income – All Owners	\$44,496	
Renter occupied	2,745	
Less than \$5,000	146	5%
\$5,000 to \$9,999	289	11%
\$10,000 to \$14,999	427	16%
\$15,000 to \$19,999	421	15%
\$20,000 to \$24,999	295	11%
\$25,000 to \$34,999	471	17%
\$35,000 to \$49,999	330	12%
\$50,000 to \$74,999	256	9%
\$75,000 to \$99,999	66	2%
\$100,000 to \$149,999	18	1%
\$150,000 or more	26	1%
City Median Income – All Renters	\$21,236	
City Median Income – All Households	\$28,494	
Total:	4,698	

Source: U.S. Census, 2000

The poverty rate is another relative measure of financial well-being. The poverty level is a federally defined measure of the minimum income needed for subsistence living. The poverty level is an important indicator of severe financial distress, and the rate of poverty in a community (proportion of the population with poverty level incomes or less) provides important information about individuals and families who have the greatest financial need. The dollar threshold for poverty is adjusted by the federal government for household size and composition, but not by region, which may skew the results.

According to the 2000 Census, approximately 15.2 percent of the City's residents lived at or below the poverty level, compared to 16.3 percent countywide. Female-headed households with children had the highest poverty rate, nearly twice the poverty rate compared to the general population. Female-headed households with children under five years of age were the population group most likely to live in poverty — 45.8 percent of these households lived in poverty in Marysville. By comparison, over 59 percent of female-headed households with children five and under had lived below the poverty level countywide. Table II-7 compares the poverty rate among population groups in Marysville.

Those with the lowest poverty rate (7.4%) in the City were persons 65 years of age or more. Households in this age group, although often low income, collect Social Security, retirement benefits, and other sources of income that kept the overwhelming majority of these households above the poverty level.

Table II-7: Poverty Status in 1999

Households	Yuba		Marysville	
	# below poverty	% Below poverty	# below poverty	% Below poverty
Families	2444	16.3%	438	15.2%
w/children under 18	2012	23.1%	398	24.0%
w/children under 5	996	28.2%	192	30.0%
Families w/female householder, no husband present	1108	39.8%	206	28.6%
w/children under 18	1005	48.9%	200	37.2%
w/children under 5	480	59.3%	82	45.8%
Individuals	12205	20.8%	2227	18.9%
18 and over	7167	17.6%	1350	15.8%
65 and over	476	7.8%	109	7.4%

Source: U.S. Census, 2000

B. HOUSING STOCK CHARACTERISTICS

1. Housing Type

Marysville saw a slight increase in housing units between 1990 and 2000 (53 units) according to the California Department of Finance estimates. The number of single-family dwellings decreased during the 1990s, comprising 57.5 percent of the housing stock in 1990 and 56.8 percent of the housing stock in 2000. The number of multifamily units increased in both real terms and as a percentage of the housing stock between 1990 and 2000. Apartments and condominiums comprised 41.7 percent of all housing in 1990 and 42.4 percent in 2000, a 2.9 percent increase. The most significant change in the housing stock was the number of multifamily units in structures of five or more units, and increase of 4.4 percent. Table II-8 shows the composition of the housing stock in 1990 and 2000 based on data from the Census.

Table II-8: Changes in Marysville's Housing Stock

Housing Type	1990		2000		% Change 1990-2000
	Number	Percent	Number	Percent	
Single Family	2,923	57.5%	2,915	56.8%	-0.3%
Detached	2,707	53.3%	2,699	52.6%	-0.3%
Attached	216	4.2%	216		0.0%
Multi-Family	2,119	41.7%	2,180	42.4%	4.2%
2-4 Units	764	15.0%	765	14.9%	0.1%
5+ Units	1,355	26.7%	1,415	27.6%	4.4%
Mobile Homes	41	0.8%	41	0.8%	0.0%
Total Units	5,083	100.0%	5,136	100.0%	1.0%

Source: California Department of Finance

2. Tenure

The percentage of owner-occupied units decreased in the City between 1990 and 2000 with a 6.9 percent reduction over the last ten years, which equates to a 41.6 percent share of all units. Marysville has a high percentage of renter-occupied units (58.4%), which is uncommonly high. By contrast, renter-occupied housing units in Yuba County accounts for 45.9%, slightly higher than the statewide average (43.1%). Table II-9 compares tenure in 1990 and 2000 in Marysville.

Table II-9: Housing Tenure

Tenure of Units	1990		2000		% Change 1990-2000
	Number	Percent	Number	Percent	
Owner-Occupied	2,092	43.6%	1,948	41.6%	-6.9%
Renter-Occupied	2,707	56.4%	2,739	58.4%	1.2%

Source: U.S. Census, 2000

Notes: The total number of units is less than Table II- 8 because it counts all units whereas this table only counts occupied units. There may also be minor differences in household counts in various tables that are based on sample data from the 2000 Census.

Between 1990 and 2000, owner occupancy among single-family units decreased by 5.3%, while the number of renter-occupied single-family homes increased by 40 percent. One explanation for the change in tenure among single-family homes is the increasing number of relatively lower-income families of Hispanic origin who moved to Marysville between 1990 and 2000. Families of Hispanic origin represent a much smaller proportion of homeowners compared to the population at large, thereby leaving them with renting as their only option.

Although a high percentage of renter occupancy is not unusual in large cities, it is not the norm for small communities in rural areas. Table II-10 compares tenure by housing unit type and shows the trend toward higher renter occupancy of single-family homes.

Table II-10: Tenure by Units in Structure

Housing Type	1990		2000		% Change 1990-2000
	Number	Percent	Number	Percent	
Owner-Occupied	2,092	43.6%	1,953	41.6%	-6.6%
Single Family	1,997	41.6%	1,891	40.3%	-5.3%
2-4 Units	32	0.7%	25	0.5%	-21.9%
5+ Units	22	0.5%	37	0.8%	68.2%
Mobile Homes	13	0.3%	0	0.0%	-100.0%
Other Units	28	0.6%	0	0.0%	-100.0%
Renter-Occupied	2,707	56.4%	2,745	58.4%	1.4%
Single Family	778	16.2%	1,092	23.2%	40.4%
2-4 Units	648	13.5%	665	14.2%	2.6%
5+ Units	1,219	25.4%	980	20.9%	-19.6%
Mobile Homes	20	0.4%	8	0.2%	-60.0%
Other Units	42	0.9%	0	0.0%	-100.0%
Total Units	4,799	100.0%	4,698	100.0%	-2.1%

Source: U.S. Census, 1990 and 2000

Note: The total number of units is less than Table II-8 because it counts all units, whereas this Table II-10 only counts occupied units.

No racial or ethnic population group in Marysville has a majority of homeowners. Households of Asian-origin and Non-Hispanic, White households had the highest rates of homeownership at 50 percent and 44 percent, respectively. By contrast, all other population groups had ownership rates between 21 and 37 percent. Table II-11 compares tenure by race and Hispanic origin.

Table II-11: Tenure by Race and Hispanic Origin

	Homeowners		Renters	
	Number	Percent	Number	Percent
White alone (not Hispanic or Latino)	1,524	44%	2,028	56%
Black or African American alone	47	21%	172	79%
American Indian and Alaska Native alone	21	33%	43	67%
Asian alone	107	50%	109	50%
Some other race alone	128	33%	260	67%
Two or more races	76	37%	127	63%
Hispanic or Latino	190	33%	2,028	67%

Source: U.S. Census, 2000

Note: Totals do not add up to 100 percent due to discrepancies in Hispanic/Latino responses to race-based questions.

Further evidence of differences in tenure among population groups is shown in Table II-12, which compares tenure by age. Younger adults represent the majority of renters, and while older adults comprise the majority of home owners. The table shows that the number of owner households declined in all age groups, except for those in their mid-40s to mid-50s. Among renters, the number of householders under 25, and those in their mid-30s to mid-50s increased, while the number of renters in all other age groups declined.

Table II-12: Tenure by Age of Householder

Households	1990	Percent	2000	Percent	Percent Change
Owner-occupied housing units					
15 to 24 years	36	1.7%	34	1.7%	-5.6%
25 to 34 years	255	12.2%	177	9.1%	-30.6%
35 to 44 years	397	19.0%	355	18.2%	-10.6%
45 to 54 years	318	15.2%	397	20.4%	24.8%
55 to 64 years	338	16.2%	299	15.3%	-11.5%
65 years and over	748	35.8%	686	35.2%	-8.3%
Total:	2,092	100.0%	1,948	100.0%	-6.9%
Renter-occupied housing units					
15 to 24 years	393	14.5%	431	15.7%	9.7%
25 to 34 years	864	31.9%	620	22.6%	-28.2%
35 to 44 years	529	19.5%	661	24.1%	25.0%
45 to 54 years	279	10.3%	426	15.6%	52.7%
55 to 64 years	231	8.5%	230	8.4%	-0.4%
65 years and over	411	15.2%	371	13.5%	-9.7%
Total:	2,707	100.0%	2,739	100.0%	1.2%

Source: U.S. Census, 1990 and 2000

3. Housing Vacancy

Vacancy rates for both owner-occupied and rental housing increased slightly between 1990 and 2000, according to the Census Bureau. The effective vacancy rate for rental housing in Marysville increased from 3.4 percent to 4.3 percent between 1990 and 2000 and for ownership housing 0.4 percent to 0.6 percent. The effective vacancy rate is the percentage of dwelling units available for sale or rent at any period in time. In both 1990 and 2000, the effective vacancy rate for owner-occupied units was extremely low, less than one percent. The effective vacancy rate for rental housing remained below five percent in both 1990 and 2000, a level usually considered sufficient to provide adequate choice and mobility among renter households. Low vacancy rates create upward pressure on housing costs and can increase the gap between housing costs and local incomes.

Table II-13 compares vacancy rates in 1990 and 2000.

Table II-13: Unit Vacancy and Rate

Type of Housing	1990		2000		Percent Change
	# of Units	% of total	# of Units	% of total	
Total units in Marysville	5,083	100%	5,011	100%	-1.4%
Vacant units:					
For rent	173	3.4%	214	4.3%	23.7%
For sale only	20	0.4%	28	0.6%	40.0%
Rented or sold, not occupied	24	0.5%	38	0.8%	58.3%
For seasonal, recreational, or occasional use	6	0.1%	7	0.1%	16.7%
For migrant workers	0	0.0%	0	0.0%	0.0%
Other vacant	61	1.2%	26	0.5%	-57.4%
Total vacant units:	284	(x)	313	(x)	(x)
Effective Vacancy Rate	(x)	3.7%	(x)	4.2%	10.2%

Source: U.S. Census, 1990 and 2000.

4. Overcrowding

Overcrowding is a measure of the capacity of the housing stock to adequately accommodate residents. Too many individuals living in a housing unit with inadequate space and number of rooms can result in unhealthy living arrangements and accelerated deterioration of the housing stock. In the United States, housing providers and government agencies typically consider a household as overcrowded if there is more than one person per room or two persons per bedroom. Extreme overcrowding is often defined as more than 1.5 persons per room.² Overcrowding results when: 1) the cost of available

² According to the U.S. Census Bureau, the number of occupants per room is obtained by dividing the number of people in each occupied housing unit by the number of rooms in the unit. "Rooms" do not include bathrooms, porches, balconies, foyers, halls, or half-rooms (2000 Census Long Form Questionnaire, question #37).

housing with a sufficient number of bedrooms for larger families exceeds the family's ability to afford such housing, 2) unrelated individuals (such as students or low-wage single adult workers) share dwelling units due to high housing costs, 3) when the cost of housing requires two families to double up, or 4) when housing costs force extended family members to become part of the household.

Renter households typically have a higher rate of overcrowding than homeowners. Approximately 8.5 percent of all renters in the City lived in overcrowded conditions in 1990. The number of renters living in overcrowded conditions increased to 13 percent of the renter population in 2000; an increase of 57 percent. By comparison, 2.5 percent of homeowners lived in overcrowded conditions in 1990. The overcrowding rate for owner-occupants decreased to less than one percent by 2000, according to the Census Bureau.

The trend of increasing overcrowding in the renter population could be attributed to factors such as increasing household and family size, which was discussed in previous sections of this document. It is likely that the renters living in overcrowded conditions would prefer to live in larger housing units, but cannot afford the higher rents and may not be able to find adequate units despite the fact more vacant rental units were becoming available in the Marysville market (discussed below).

Table II-14 summarizes overcrowding in 2000.

Table II-14: Persons per Room in All Occupied Housing Units

Occupant	Persons				Percent Change
	1990	Percent	2000	Percent	
Owner-occupied:					
One or less person/room	2039	97.5%	1,941	99.4%	-4.8%
More than one person/room	53	2.5%	12	0.6%	-77.4%
Total:	2092	100.0%	1,953	100.0%	-6.6%
Renter-occupied:					
One or less person/room	2476	91.5%	2,382	86.8%	-3.8%
More than one person/room	231	8.5%	363	13.2%	57.1%
Total:	2707	100.0%	2,745	100.0%	1.4%

Source: U.S. Census, 1990 and 2000.

5. Housing Costs

a. Housing Prices

The price of housing in Marysville has increased over the past few years. Data on home sales for 2002 indicates that the median home sales price is much higher than the 2000 median homes value measured by the Census. The 2002 median selling price for a home in Marysville was roughly \$115,000 for the 361 properties that sold during the year.³ If housing prices continue to increase, many new workers and existing residents of Marysville will not be able afford homeownership. This

³ DataQuick, January 2003.

leads to a greater demand for rental housing in the City and eventually results in price increases in the rental housing market.

Although the median sales price for a home in Marysville is within the range of affordability to a household earning the median Yuba County income, the cost of a median priced home in the City is increasingly unaffordable to a household earning the median Marysville income (approximately \$28,494 in 2000). The proportion of homes for sale that might be affordable to lower-income households has also decreased significantly over the past decade.

Table II-15 compares the 1990 and 2000 census-reported home values.

Table II-15: Single Family Owner-Occupied Home Values

Value	1990		2000		Percent Change
	# of Homes	% of Homes	# of Homes	% of Homes	
\$0-49,999	275	14.6%	37	2.1%	-86.5%
\$50-99,999	1,346	71.6%	1,239	68.8%	-7.9%
\$100,000-149,999	201	10.7%	430	23.9%	113.9%
\$150,000 and up	59	3.1%	95	5.3%	61.0%
Total	1,881	100.0%	1,801	100.0%	
1990 Median: \$71,700					
2000 Median: \$89,000					

Sources: U.S. Census, 1990 and 2000 Census

b. Rents

Rental costs are usually evaluated based on two factors: rents paid by existing occupants of rental units under a rental or lease agreement ("contract") and advertised rents for vacant units. Rental costs can also be evaluated based on the "gross rent" paid by tenants, which includes utility payments, versus the contract rent for the dwelling units only.

The number of units available in the City at lower contract rent levels decreased between 1990 and 2000. Over 40 percent of the rental units were rented at less than \$300 per month in 1990; in 2000, just over 16 percent of the units were rented at less than \$300. In 1990, less than two percent of rental units had contract rents over \$600 per month, compared to 11 percent in 2000. Some of these rent increases can be attributed to general inflation, but a portion of the increase can be attributed to the lack of available rental units available on the market. Although the vacancy rate for rentals did increase between 1990 and 2000, the vacancy rate (4.3 percent) is still low; thereby allowing property managers and landlords to raise the rents based upon market demand.

Information gathered from classified ads in the Appeal-Democrat and the Homestore.com website corroborates the trend of increased rental costs in Marysville. The median asking rents range from \$255/month for a studio apartment to \$495/month for a three-bedroom apartment. In 1990, only 5.6 percent of the rental stock was \$500/month or more; in 2000, 28.6 percent of the stock equaled or exceeded that figure.

Table II-16 compares contract rents in 1990 and 2000 and Table II-17 presents asking rents for available units in 2002.

Table II-16: Contract Rents for the City of Marysville

Value	1990		2000		Market Share
	# of Units	% of Units	# of Units	% of Units	Percent Change
Less than \$100	42	1.6%	19	0.7%	-54.8%
\$100-149	88	3.3%	27	1.0%	-69.3%
\$150-199	175	6.5%	80	2.9%	-54.3%
\$200-249	269	10.0%	64	2.3%	-76.2%
\$250-299	602	22.5%	265	9.7%	-56.0%
\$300-349	478	17.8%	427	15.6%	-10.7%
\$350-399	357	13.3%	386	14.1%	8.1%
\$400-449	304	11.3%	369	13.5%	21.4%
\$450-499	175	6.5%	321	11.7%	83.4%
\$500-549	72	2.7%	172	6.3%	138.9%
\$550-599	30	1.1%	196	7.2%	553.3%
\$600-649	18	0.7%	83	3.0%	361.1%
\$650-699	16	0.6%	78	2.8%	387.5%
\$700 to \$749	13	0.5%	41	1.5%	215.4%
\$750 to \$799	(X)	(X)	54	2.0%	(X)
\$800 to \$899	(X)	(X)	18	0.7%	(X)
\$900 to \$999	(X)	(X)	0	0.0%	(X)
\$1,000 to \$1,499	(X)	(X)	14	0.5%	(X)
\$1,500 to \$1,999	(X)	(X)	0	0.0%	(X)
\$2,000 or more	(X)	(X)	0	0.0%	(X)
No cash rent	40	1.5%	124	4.6%	(X)
Median	\$315		\$405		28.6%
	2679	100.0%	2738	100.1%	

Source: U.S. Census, 1990 and 2000.

Note: Total is greater than 100% due to rounding

Table II-17: Median Asking Rents

Bedrooms	Rent
Studio	\$255
1-Bedroom apt.	\$315
2-Bedroom apt.	\$425
3-Bedroom apts.	\$495

Sources: Homestore.com (accessed 1.21.03 and 1.23.03), Appeal-Democrat website (accessed 1.08.03)

c. Conclusions Regarding Housing Cost Increases Since 1990

Between 1990 and 2000, the median owner-occupied home value and the median rent increased by 24 and 29 percent respectively, while the median household income in the City increased by approximately 32 percent. Although local incomes kept pace with housing cost increases, the trends reported by the Census Bureau during the 1990s mask two important considerations:

- Most of the increase in housing costs occurred since the mid- to late-1990s, after the region emerged from an economic recession.
- Lower-income households were disproportionately affected by housing cost increases as their incomes have not kept pace with increases in housing costs (there is more discussion on the matter in subsequent sections of this Housing Element).

6. Overpayment for Housing

A household is generally considered to be overpaying for housing if housing costs represent more than 30 percent or more of a household's gross monthly income. This generally accepted standard is used to roughly assess the ability of the household to meet its monthly financial obligations. The ability of any particular household to devote a specified percentage of income to housing will depend on that household's income level, size and composition, debts, and other necessary expenditures (such as on health care).

Table II-18 compares the percentage of income spent on housing among home owners and renters as reported in the 2000 Census.

Table II-18: Households Paying 30% or More of Income for Housing

Income	1990				2000				Percentage Point	
	Renters		Owners		Renters		Owners		Change	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Renters	Owners
Totals	2701	100.0%	1979	100.0%	2741	100.0%	1,801	100.0%	(x)	(x)
Less than \$10,000	715	26.5%	108	5.5%	318	11.6%	30	1.7%	-14.9%	-3.8%
\$10,000 to \$19,999	335	12.4%	84	4.2%	571	20.8%	178	9.9%	8.4%	5.6%
\$20,000 to \$34,999	65	2.4%	68	3.4%	143	5.2%	119	6.6%	2.8%	3.2%
\$35,000 to \$49,999	0	0.0%	40	2.0%	27	1.0%	86	4.8%	1.0%	2.8%
\$50,000 to \$74,999	0	0.0%	20	1.0%	0	0.0%	7	0.4%	0.0%	-0.6%
\$75,000 to \$99,999	--	--	--	--	0	0.0%	7	0.4%	--	--
\$100,000 or more	--	--	--	--	0	0.0%	0	0.0%	--	--
\$100,000 to \$149,999	--	--	--	--	0	0.0%	0	0.0%	--	--
\$150,000 or more	--	--	--	--	0	0.0%	0	0.0%	--	--

Source: U.S. Census, 2000

Note: The Census Bureau used different top income brackets for renters and owners

Recent rent increases have likely had a disproportionate effect on very low-income renter households (those earning less than 50 percent of the countywide median income). Over 70 percent of these very low-income renters paid more than 30 percent of their incomes for housing expenses in 2000; 40 percent of homeowners fell into this category, as well. By HUD's standards in 2000, households that earned just under \$20,000 or less annually are considered to be very low-income. According to Census data, over 67 percent of renter-households and 65 percent of homeowner-households may be burdened with high housing costs for their income levels.

The trend of households paying more than 30 percent of their incomes for housing expenses went up from 1990 to 2000. Renter-households earning between \$10-19,999 annually increased by 8.4 percent, while the owner-households in the same range increased by 5.6%. This trend shows that the lower-income households are not only burdened by high housing costs, but the situation is getting more difficult for them.

Table II-19 compares the percent of homeowners and renters who paid more than 30 percent of their incomes for housing in 2000.

Table II-19: Tenure by Percentage of Income Spent on Monthly Housing Costs

Income	Homeowners	% of Total	Renters	% of Total
Less than \$10,000:	65	(x)	435	(x)
Paying Greater Than 30%	30	46.2%	318	73.1%
\$10,000 to \$19,999:	274	(x)	848	(x)
Paying Greater Than 30%	178	65.0%	571	67.3%
\$20,000 to \$34,999:	352	(x)	766	(x)
Paying Greater Than 30%	119	33.8%	143	18.7%
\$35,000 to \$49,999:	429	(x)	330	(x)
Paying Greater Than 30%	86	20.0%	27	8.2%
\$50,000 to \$74,999:	355	(x)	252	(x)
Paying Greater Than 30%	7	2.0%	0	0.0%
\$75,000 to \$99,999:	176	(x)	66	(x)
Paying Greater Than 30%	7	4.0%	0	0.0%
\$100,000 or more:	150	(x)	44	(x)
Paying Greater Than 30%	0	0.0%	0	0.0%
Total:	1,801	100.0%	2,741	100.0%
Paying Greater Than 30%	427	23.7%	1,059	38.6%

Source: U.S. Census, 2000

7. Housing Age and Condition

a. Overview

The age and condition of the housing stock provide additional measures of housing adequacy and availability. Some of the indicators of substandard housing, such as an aging housing stock and the number of dwelling units lacking complete facilities indicate the potential for substandard housing conditions.

Indicators used to define substandard housing can also influence conclusions regarding the condition of housing. For example, a 1989 housing conditions survey conducted by City officials found that about 34 percent (303 units) of the City's housing stock was in need of rehabilitation⁴. A sample survey of housing conditions conducted in 2001 and reported in 2002 found that as much as 30 percent of the housing stock may need various levels of repair, from deferred maintenance to substantial rehabilitation, which is a slight improvement over the 1989 data.

b. Age of Housing

Nearly two-thirds (64 percent) of the City's housing was constructed before 1970 (see Table II-20) and more than one-quarter (26 percent) of housing units were constructed before 1950. The age of Marysville's housing stock suggests the potential for deterioration, although, the age of housing, by itself, is not a definitive measure of housing condition. Many communities have a sizeable amount of housing more than 30 years old but little housing rehabilitation or replacement need. The age of housing, when correlated with income and the proportion of rental housing, can provide a reasonable measure of housing condition. Neighborhoods that have high percentages of older, rental housing and low-income households, such as in Marysville, tend to have higher housing rehabilitation needs.

Table II-20: Age of Housing Units in Marysville

Age of Structure	Number	Percent
< 10 Years	123	2.5%
10-20 Years	696	13.9%
20-30 Years	994	19.8%
30-50 Years	1890	37.7%
50 + Years	1308	26.1%
Total	5011	100.0%
Median Year Constructed: 1963		

Source: U.S. Census, 2000

c. Housing Condition

The connection between the age and tenure of housing, and housing conditions, can be confirmed with a survey of housing conditions. In 2001, the City of Marysville contracted with Mercy Housing

⁴ Marysville Housing Element, 1997

to conduct a survey of exterior housing conditions. Mercy Housing conducted a survey of 3,399 housing units in Marysville, 67 percent of the housing stock.

Approximately 76 percent of the units surveyed were in sound condition; however the remaining 24 percent (821 housing units) require at least minimal repairs to be brought up to a sound condition.⁵ The study showed that the majority of single-family homes (81.8 percent) were in sound shape, with only 18.2% in need of some level of repair. The majority of multi-family units were shown to be in sound condition (58.4 percent), which leaves 41.7 percent as needing some level of repair. If the 67 percent of the housing stock surveyed by Mercy Housing is indicative of housing conditions citywide, approximately 1,200 housing units are in need of rehabilitation and 25 are in need of replacement.⁵

The study stated that multifamily housing in structures of five or more units is more likely to need rehabilitation than single-family homes. Such multifamily housing represents about one-fourth of the City's housing stock, and over 40 percent is in need of rehabilitation or replacement.

Table II-21 summarizes the results of the Mercy housing condition survey.

Table II-21: Mercy Housing Conditions Report

Condition of Multifamily Units	# of Single-Family Sites Evaluated	SF Percent	# of Multifamily Sites Evaluated	# of Units at Each Site	MF Percent
Sound	2073	81.8%	78	505	58.3%
Minor	241	9.5%	42	128	14.8%
Moderate	179	7.1%	31	115	13.3%
Substantial	29	1.1%	9	112	12.9%
Dilapidated	11	0.4%	2	6	0.7%
Total	2533	100.0%	162	866	100.0%

Source: Mercy Housing, Housing Conditions Survey, June 2002.

The Mercy Housing report made the following housing program recommendations:

- The City of Marysville should continue conducting its housing rehabilitation program within the City for both owners and owner-investors. Of the housing units surveyed by Mercy, 821 units (24%) were in need of rehabilitation. In an area such as Marysville with a small number of housing units, it is critical to bring its substandard housing units up to health and safety standards.
- The City of Marysville should continue to utilize CDBG, Home Investment Partnership Program, program income, redevelopment agency and other funding sources to address its health and safety hazards in deteriorated housing and to extend the useful life of housing structures.

⁵ Extrapolation of the data from the Mercy Housing Report shows that approximately 1,200 units are substandard.

- The City of Marysville should consider undertaking a paint grant program, especially for the neighborhoods or streets with a high percentage of units in need of rehabilitation. The paint grant program may serve as an incentive for residents/owners to rehab their properties.

C. EMPLOYMENT TRENDS

1. Overview

Yuba County's labor force includes 21,400 persons, 18,900 of which are employed and 2,500 unemployed and an unemployment rate of 11.7 percent.⁶ High unemployment remains a chronic challenge in the Yuba-Sutter region and affects household incomes and the ability to afford housing costs.

Three employment sectors are projected for the most growth: government jobs (17.2%), service industries (16.7%), and retail opportunities (12.2%). The budget shortfall that California faces in 2003 may dramatically affect the job growth in the government sector, which leaves service and retail opportunities as the best job-growth sectors for the regions. Service sector employment is typically among the lowest paying jobs of any sector. An implication of this employment projection for the City is that many new employees in the service sector will receive lower paying jobs, thereby making it more difficult to afford housing in Marysville.

The relationship between household earnings and the ability to purchase a home is fairly simple to determine. With the median home sale price at \$115,000 in 2002, a household in the Yuba Metropolitan Statistical Area (MSA) will have to earn roughly \$33,000 to \$35,000 to afford a median-priced house under customary loan underwriting assumptions standards.⁷ With the bulk of the new employment opportunities in the Yuba MSA being created in the service and retail sectors, many of the households with primary earners in these fields will not be able to purchase a home.

Table II-22 shows the California Employment Development Department's estimates of employment by occupation and mean annual wages for the respective fields.

⁶ California Employment Development Department (EDD) Yuba County Snapshot, 2002. The publication combined data on the labor force and industry employment trends for five counties (Yuba, Colusa, Glenn, Land and Sutter) to create projections for job-growth industries from 1997-2004.

⁷ Assumptions: Annual Interest rate of 6.5%, 30 year loan, \$2,500 available for closing costs, 1% is escrowed for property taxes, a 20% addition for principal mortgage interest payments, and 30% of gross income devoted to monthly payment. Note: the monthly payment would be roughly \$727/month. Source: <http://finance.realtor.com/HomeFinance/calculators/mortgagequalifier.asp>.

Table II-22: Yuba-Sutter* Occupational Employment and Wage Data

Occupational Title	2001 Employment Estimates	% of total	Mean Annual Wage
Management Occupations	1,730	4.5%	\$70,489
Business and Financial Operations Occupations	810	2.1%	\$50,317
Computer and Mathematical Occupations	230	0.6%	\$53,651
Architecture and Engineering Occupations	730	1.9%	\$60,166
Life, Physical, and Social Science Occupations	290	0.8%	\$48,461
Community and Social Services Occupations	510	1.3%	\$43,047
Legal Occupations	190	0.5%	\$76,571
Education, Training, and Library Occupations	3,510	9.1%	\$47,152
Arts, Design, Entertainment, Sports, and Media Occupations	160	0.4%	\$32,508
Healthcare Practitioners and Technical Occupations	1,600	4.1%	\$60,500
Healthcare Support Occupations	940	2.4%	\$25,820
Protective Service Occupations	1,220	3.2%	\$45,756
Food Preparation and Serving-Related Occupations	3,140	8.1%	\$17,456
Building and Grounds Cleaning and Maintenance Occupations	1,430	3.7%	\$23,535
Personal Care and Service Occupations	680	1.8%	\$22,205
Sales and Related Occupations	4,330	11.2%	\$26,124
Office and Administrative Support Occupations	6,440	16.7%	\$29,342
Farming, Fishing, and Forestry Occupations	1,170	3.0%	\$17,957
Construction and Extraction Occupations	2,180	5.7%	\$39,266
Installation, Maintenance, and Repair Occupations	1,930	5.0%	\$38,991
Production Occupations	2,150	5.6%	\$25,763
Transportation and Material Moving Occupations	3,170	8.2%	\$26,536
Total all occupations	38,560	100.0%	\$35,064

Source: CA EDD, Yuba County Occupational Employment and Wage Data, December 2002.

*Yuba-Sutter Metropolitan Statistical Area

Local job creation affects the local housing market, but regional job growth can affect distant housing markets. Furthermore, job growth in areas without adequate housing can have significant detrimental effects on the quality of life and the local environment. With many of the new employment opportunities being created in areas outside of Marysville, it is likely many of City's future residents will make the daily commute into the Sacramento region or other areas. The major employers in Marysville are shown below in Table II-23. Several of the employee numbers are shared with other portions of Yuba County, thereby artificially raising the total number of jobs in the City. This table shows a large portion of the employment opportunities in and around Marysville lie in the health and government sectors.

Table II-23: Major Employers in and near Marysville

Employer	Number of Jobs
Freemont Rideout Health Group	1,700
Marysville School District	1,000
County of Yuba*	805
California Department of Transportation*	650
Sutter North Health Group*	325
Excel (Cargill) Specialty Products	300
Frank M. Booth Steel Fabrication	150
Appeal Democrat	120
City of Marysville	75

Sources: Yuba-Sutter Development Corporation website: (January 2003)
http://www.ysedc.org/PDF/economic_profile/largest_employers_in_the_yuba-sutter_region.htm; Emily Pudell, City of Marysville

* These numbers include employment in other parts of the County, as well.

Developing housing, particularly near employment centers can help reduce traffic congestion and commute times, improve air quality, and places people in closer proximity to the services they need. The availability of housing encourages a healthy economy and can support revitalization efforts in historic downtown areas. Marysville's current development levels combined with geographic constraints will inherently prevent sprawling development away from the economic center of the city. However, those same constraints may ultimately lead to more citizens commuting to other employment centers.

Table II-24 shows that nearly half of Marysville's workforce travels to another County for employment. Some of this can be attributed to workers traveling to Yuba City, which is a very short distance, but it can be inferred from the mean travel times that the workers are generally traveling to other areas.

Table II-24: Commuting Workers

Place of Work	Persons	Percent
Total workers	4,888	100%
Worked in county of residence	2,611	53.4%
Worked outside county of residence	2,270	46.4%

Source: U.S. Census, 2000

Since the unemployment level is fairly high in Marysville, residents will likely continue to commute to find higher paying salaries (see Table II-25). The employment data suggest that Marysville does not have a sufficient number jobs and variety of employment opportunities for its residents, who must commute elsewhere for work.

Table II-25: County and City Unemployment Rates

Jurisdiction	Labor Force	Employment	Unemployment	
			Number	Rate
Yuba County	21,000	18,500	2,500	11.90%
Marysville	5,300	4,660	640	12.10%
Wheatland	740	690	50	7.40%

Source: Labor Force Data, November 2002 Benchmark (preliminary, not seasonally adjusted),
<http://www.calmis.ca.gov/FILE/LFMONTH/YUBASUB.TXT>

D. SPECIAL HOUSING NEEDS

Certain groups in Marysville encounter greater difficulty finding decent, affordable housing due to their special needs and/or circumstances. Special circumstances may be related to one's employment and income, family characteristics, medical condition or disability, and/or household characteristics. A focus of the Housing Element is to ensure that persons from all walks of life have the opportunity to find suitable housing in Marysville.

State Housing Element law identifies the following "special needs" groups: senior households, disabled persons, single-parent households, large households, farmworkers, and persons and families in need of emergency shelter. This section provides a discussion of housing needs for each particular group, and identifies the programs and services available to address their housing and supportive services needs.

1. Seniors

Senior households typically have special housing needs due to three primary concerns: 1) fixed, often low, incomes, 2) high health care costs, and 3) self-care or independent living limitations (such as health-related disabilities). According to the 2000 Census, 1,057 households in Marysville were headed by persons age 65 years and older, half of whom lived alone.

According to the 2000 Census, about eight percent of individuals 65 years of age or older in Marysville had poverty-level incomes or less, significantly less than that for the population as a whole. Nearly 60 percent of households headed by seniors, almost 600 households, had low-incomes (less than 80 percent of median), and 33 percent had very low-incomes (less than 50 percent of median), significantly higher percentages than the overall population. These figures suggest that seniors may have limited capacity to absorb increases in housing-related expenses.

In 2000, 446 elderly households in Marysville were homeowners and 454 were renters. Because of physical and/or other limitations, senior homeowners may have difficulty in performing regular home maintenance or repair activities. In addition, because many seniors have fixed and/or limited income, they may have difficulty making monthly mortgage or rent payments. Elderly women are especially in need of assistance. In 2000, 75 percent of senior households living alone were women (398 households).

Various programs can help meet the needs of seniors, including but not limited to congregate care, supportive services, rental subsidies, shared housing, and housing rehabilitation assistance. For the

frail elderly or those with disabilities, housing with features that accommodate disabilities can help ensure continued independent living. Elderly with mobility/self care limitation also benefit from transportation alternatives. Senior housing with these accommodations can allow more independent living.

According to the California Department of Social Services (2003), two licensed care facilities for seniors are located in Marysville: Prestige Assisted Living Facility and Sunrise Garden. These facilities provide a total of 114 beds for persons age 60 and above. A major affordable housing development for seniors in Marysville is the 100-unit Buttes Christian Manor.

2. Persons with Disabilities

Persons with disabilities typically have special housing needs because of their fixed or limited incomes, the lack of accessible and affordable housing that meets their physical and/or developmental capabilities, and the higher health costs associated with their disabilities. A disability is defined broadly by the Census Bureau as a physical, mental, or emotional condition that lasts over a long period of time that makes it difficult to live independently. The 2000 Census defines six disabilities: sensory, physical, mental, self-care, go-outside-home, and employment disability. According to the 2000 Census, 2,695 Marysville residents have some type of disability, representing 22 percent of City residents. Of these persons, 766 are age 65 years or older.

To meet the unique housing needs of the disabled, the City offers and participates in various programs. Through the Yuba County Housing Authority, disabled households may receive rental assistance to help them afford housing in the community. Also, the City offers home improvement grants, which can be used to make upgrades/modifications to ensure accessibility. In addition, the City's building code requires new residential construction to comply with the federal Americans with Disabilities Act (ADA), which requires a minimum percentage of units in new developments to be fully accessible to the physically disabled as well as California Title 24 accessibility requirements.

Living arrangements for disabled persons depend on the severity of the disability. Many persons live independently with other family members. To maintain independent living, disabled persons may need special housing design features, income support, and in-home supportive services for persons with medical conditions.

Severely mentally ill persons are especially in need of assistance. Mentally disabled individuals are those with psychiatric disabilities that impair their ability to function in the community to varying degrees. The National Institute for Mental Health (2001) estimates that 2.5 percent of the adult (age 18+) population suffers from mental illness, translating to roughly estimated 222 persons with mental illness within Marysville.

Many mentally disabled persons can live and work independently within a conventional living environment. However, more severely disabled individuals require a group living environment in which partial or constant supervision is provided by trained personnel. The most severely affected individuals may require an institutional environment in which medical attention and therapy are provided within the living environment. According to the State Department of Social Services, Marysville is home to five adult day care facilities with a combined capacity of 100 beds. (Adult day care facilities are facilities of any capacity that provide programs for frail elderly and developmentally disabled and/or mentally disabled adults in a day care setting.)

3. Farmworkers

Although the City does not have a large resident farmworker population within its boundaries, the City is located within an agricultural region that employs many farmworkers. According to the 2000 Census, there were 110 Marysville residents (less than one percent of the City's total population) employed in farming, forestry, and fishing occupations.

Farmworkers traditionally are defined as persons whose primary incomes are earned through permanent or seasonal agricultural labor. Permanent farmworkers work in the fields, processing plants, or support activities on a year-round basis. When workloads increase during harvest periods, the labor force is supplemented by seasonal or migrant labor.

The Migrant Health Program of the U.S. Department of Health and Human Services released a study in 2000 estimating the number of migrant and seasonal farmworkers and their non-farmworker household members in California: *Migrant and Seasonal Farmworker Enumeration Profiles Study*. The study was based on secondary source material, including existing database information and interviews with knowledgeable individuals. The study indicates that Yuba County has an estimated 5,349 farmworkers, including 2,477 migrant and 2,872 seasonal farmworkers.

According to the California Department of Education (Migrant Education Division, Region 2), 790 students are enrolled in the Marysville Unified School District as children of migrant farmworker families. There are 345 such families within the District, according to the Education Department. The District also serves the communities of , which are outside the City of Marysville. It is likely that many, if not most, of the migrant students enrolled in the District live outside the City, as well. The number of students of migrant farmworker families within the District, suggests that there is a significant need for seasonal housing for migrant farmworkers within the greater Marysville area.

Farmworkers' special housing needs typically arise from their very limited income and the often unstable, seasonal nature of their employment. Statewide surveys provide some insight into the demographic characteristics and housing needs of farmworkers. Among the major findings are:

- **Limited Income:** Farmworkers typically earn very low incomes. According to the Rural Community Assistance Corporation, three-fourths of California's farmworkers earned less than \$10,000 a year in 2000. Only one out of seven earned more than \$12,500.
- **Overcrowding:** Because of their very low incomes, farmworkers have limited housing choices and are often forced to double up to afford rents. A Statewide survey indicates that overcrowding is prevalent and a significant housing problem exists among farmworkers (The Parlier Survey, California Institute for Rural Studies, 1997).
- **Substandard Housing Conditions:** Many farmworkers live in overcrowded conditions and substandard housing, including shacks, illegal garage units, and other structures generally unsuitable for occupancy (The Parlier Study, 1997).

Although the City itself contains no agricultural land, there are several orchards adjacent to the City to the north, within the proposed North Marysville Specific Plan area. Some of the leading crops farmed in Yuba County are orchard crops, which have a high demand for seasonal labor. The need for seasonal labor, however, does not necessarily translate to a need for migrant farmworker housing. Many of the farmer migrants who moved from state to state or from Mexico to California to pursue agricultural employment have now become permanent residents. As such, the housing needs of farmworkers are primarily addressed through the provision of permanent affordable housing, rather

than migrant farm labor camps. Their housing need would be the same as other lower-income households and large families who are in need of affordable housing with three or four bedrooms.

4. Single-Parents

Single-parent households with children often require special consideration and assistance as a result of their greater need for affordable housing, accessible day care, health care, and a variety of other supportive services. Single-parent households also tend to receive unequal treatment in the rental housing market. Moreover, because of their relatively lower household incomes, single-parent households are more likely to experience difficulties in finding affordable, decent, and safe housing.

Marysville is home to 666 single-parent households, of which three-quarters (502) are headed by females. In 2000, 37 percent of the City's female-headed families with children lived in poverty, compared to 24 percent of all families with children. The median income for female-headed households with children was \$16,059, compared to \$39,609 for married-couple families.

Battered women with children comprise a sub-group of female-headed households that are especially in need. In the Marysville area, there are a number of social service providers and emergency housing facilities serving women in need, including A Woman's Friend, Casa de Esperanza, and the Salvation Army.

5. Large Households

Large households are defined as households having five or more members residing in the home. These households constitute a special need group because of an often limited supply of adequately sized, affordable housing units. Because of rising housing costs, families and/or extended families are sometimes forced to live together under one roof. The 2000 Census reported 511 large households in Marysville, 58 percent of which are renter households. Large households represent 11 percent of the City's households.

The housing needs of large households could be met by larger units with more bedrooms. Because larger units typically cost more, lower-income large households may reside in smaller units, likely resulting in overcrowding. To help address overcrowding, the City is working to develop housing opportunities for larger households to relieve overcrowding and is promoting affordable ownership housing opportunities (such as first-time homebuyer and self-help housing programs) to help renters achieve homeownership.

6. Homeless

Most families become homeless because they are unable to afford housing in a particular community. Beyond the need for housing, they are certainly likely to have other needs, such as support services and increased incomes. Nationwide, about half of those experiencing homelessness over the course of a year are single adults. Most enter and exit the system fairly quickly. The remainder essentially lives in the homeless assistance system, or in a combination of shelters, hospitals, the streets, jails, and prisons. There are also single homeless people who are not adults, including runaway and "throwaway" youth (children whose parents will not allow them to live at home).

Table II-26 lists homeless facilities in the Marysville area.

Table II-26: Major Homeless Facilities/Providers in Marysville Area

Facility/Provider	Type	Capacity	Services
Salvation Army Depot 408 J Street, Marysville	Emergency Shelter	58 beds	Meals, counseling, education programs, job search assistance, savings programs
Twin Cities Rescue Mission 940 14 th Street, Marysville	Emergency Shelter	26 beds	Meals, support groups, medical and dental clinics, Bible clubs/Sunday School
Casa de Esperanza Yuba City	Emergency Shelter	30 beds	Meals, counseling, and other services for battered or homeless women and children
Total		114 beds	

Source: Cotton/Bridges/Associates, January 2003.

No local count of the homeless population has been attempted in Marysville, in part because homeless individuals avoid being counted and their numbers are often difficult to gauge accurately. According to the Yuba County Department of Human Services, 186 families with children received homeless assistance in Yuba County in March 2003. The Department has no separate count for the City of Marysville. This figure only represents a portion of the total homeless population in Yuba County, as the two shelters that operate in the City of Marysville serve primarily single adults.⁸

Because the three facilities listed above are the primary homeless shelters for the Marysville-Yuba City region, the users are from throughout the region. Essentially, Marysville provides homeless services and facilities for the entire two-county area. The level of use of the facilities indicates that there is a need in the Yuba County/Sutter County region for additional capacity for homeless facilities and services. However, there is no information to suggest that Marysville needs additional homeless facilities or supportive programs to serve the needs of its own, resident homeless population.

E. ANALYSIS OF ASSISTED HOUSING PROJECTS AT-RISK

1. Analysis of Assisted Rental Housing Projects At-Risk of Conversion

Existing rental housing that receives governmental assistance is a significant source of affordable housing that should be preserved, to the extent feasible. The loss of such rental units reduces the availability of housing affordable to very low- and low-income households. It is far more cost-effective to preserve existing affordable housing than to replace it with newly constructed units, unless housing has reached a substantial level of deterioration.

This section of the Housing Element identifies publicly assisted rental housing in Marysville, evaluates the potential of such housing to convert to market rates during a ten-year planning period (January 2003 to July 2013), and analyzes the cost to preserve or replace those units. Resources for preservation/replacement of these units and housing programs to address their preservation are

⁸ The City was unable to obtain quantifiable information on the characteristics of homeless adults in time for the adoption of the Housing Element.

described in Section IV of the Element. The focus of the analysis in this section is on federally assisted rental housing projects because there are no other governmental assisted-rental housing developments at risk, or potentially at-risk, between 2003 and 2013.

The conversion of federally assisted affordable housing to market-rate rents can occur because the U.S. Congress, in establishing various housing programs, allowed owners to pre-pay their 40-year mortgages after 20 years and to terminate, or “opt-out,” of their federal contracts prior to expiration. Congress has established several programs to encourage rental property owners to maintain their federal funding and the affordability of their rental units. These programs have induced many owners to keep their units affordable and have made it possible for other organization to purchase, refinance, and preserve many other affordable rental projects. Appendix C contains a description of the federal programs relevant to the City of Marysville under which owners assisted rental housing projects may convert their projects to market rate housing

Table II-27 lists publicly assisted multifamily rental housing projects in Marysville. There are two projects containing 168 rental units assisted through a combination of federal and local government programs. These programs include HUD Section 8 (project-based), Section 221, and Section 202. There are several other assisted rental housing projects with Marysville zip codes and addresses, but these are located outside the city limits in the unincorporated community of Linda.

Table II-27: Inventory of Publicly Assisted Rental Housing in Region

Project Name	Total Units	Assisted Units w/Affordability Restrictions	Household Type	Federal Funding Source(s)	Earliest Expiration of Affordability (At Risk Status)
Marymead Park Apts 612 E. 17th Street	68	68	Family	Section 8; Section 221(d)(4)	February 2003 (At Risk)
Buttes Christian Manor 223 F St	100	100	Elderly; Disabled	Section 8; Section 202	May 2005 (Low Risk)
Total Housing Units	168	168			

Source: California Housing Partnership Corporation, 2002.

2. Loss of Assisted Housing

Affordability covenants and deed restrictions are typically used to maintain the affordability of publicly assisted housing, ensuring that these units are available to lower-income households in the long term. Over time, the City may face the risk of losing some of its affordable units due to the expiration of covenants and deed restrictions. If market rents continue to increase, property owners may be inclined to discontinue public subsidies and convert the assisted units to market-rate housing.

According to data compiled by the California Housing Partnership Corporation (2002), two federally assisted projects containing 168 affordable units are at risk of conversion to market-rate housing: the 68-unit Marymead Park Apartments, and the 100-unit Buttes Christian Manor.

Affordability controls on the Marymead Park project will expire in February 2003. The project owner is currently not in the process of opting out of the Section 8 program or prepaying the mortgage. Nevertheless, the project remains at risk until the owner makes a commitment to continue participation in the Section 8 program.

Buttes Christian Manor is considered to be at low risk of conversion because the project is owned by a non-profit organization and funded under a federal program with no pre-payment option. Non-profit owners have a public purpose to develop, own, and maintain affordable housing. They have no or little incentive to remove current rental restrictions by terminating their Section 8 contracts or prepaying their mortgages. Some owners may prepay their mortgages in order to bring new capital into their projects. However, they are unlikely to opt out of their Section 8 contracts.

The following is an analysis of the preservation and replacement options of the two affordable housing projects.

3. Preservation and Replacement Options

a. Overview

To maintain the existing affordable housing stock, the City can either preserve the existing assisted units or facilitate the development of new units. Depending on the circumstances of at-risk projects, different options may be used to preserve or replace the units. Preservation options typically include: 1) transfer of project to non-profit ownership; 2) provision of rental assistance to tenants using non-federal funding sources; and 3) purchase of affordability covenants. In terms of replacement, the most direct option is the development of new assisted multifamily housing units. These options are described below.

b. Transfer of Ownership

Transferring ownership of an at-risk project to a non-profit housing provider is generally one of the least costly ways to ensure that at-risk units remain affordable for the long term. By transferring property ownership to a non-profit organization, low-income restrictions can be secured indefinitely and the project would become potentially eligible for a greater range of governmental assistance. This preservation option is a possibility for Marymead Park Apartments, which has a for-profit owner. Although Buttes Christian Manor is already owned by a non-profit corporation, it may also be acquired by another non-profit agency to maintain the affordability of units.

The potential acquisition cost of rental housing units at-risk in the three projects listed above is based on the estimated market value of the 168 rental units in these projects (see Table II-28).

Current market value for the units is estimated on the basis of a project's potential annual income, and operating and maintenance expenses. As indicated below, the estimated market value of the two projects is approximately \$6.7 million.

c. Rental Assistance

Rental subsidies using non-federal (State, local or other) funding sources can be used to maintain affordability of the 168 at-risk affordable units in the two projects. These rent subsidies can be structured to mirror the federal Section 8 program. Under Section 8, HUD pays the difference between what tenants can pay (defined as 30% of household income) and what HUD estimates as the fair market rent (FMR) on the unit. In Yuba County, the 2003 fair market rent⁹ is determined to be \$429 for a one-bedroom unit, \$551 for a two-bedroom unit, and \$769 for a three-bedroom unit.

The feasibility of this alternative is highly dependent upon the availability of non-federal funding sources necessary to make rent subsidies available and the willingness of property owners to accept rental vouchers if they can be provided. As indicated in Table II-29, the total cost of subsidizing the rents at all 168 at-risk units is estimated at \$31,500 per month or \$378,000 annually.

Table II-28: Market Value of At-Risk Projects

Project Information	Marymead Park	Buttes Christian Manor	Total
1-bedroom Units	0	99	99
2-bedroom Units	60	1	61
3-bedroom Units	8	0	8
Total Units	68	100	168
Annual Operating Cost	\$251,200	\$261,000	\$512,000
Annual Gross Income	\$544,800	\$578,040	\$1,122,840
Net Annual Income	\$293,600	\$317,040	\$610,640
Estimated Market Value	\$3,229,600	\$3,487,440	\$6,717,040

Source: Cotton/Bridges/Associates

Table II-29: Rental Subsidies Required

Unit Size	Total Units	Fair Market Rent ¹	Household Size	Very Low Income (50% AMI) ²	Affordable Cost – Utilities ³	Monthly Per Unit Subsidy	Total Monthly Subsidy
1-br	99	\$429	1	\$15,900	\$298	\$131	\$12,969
2-br	61	\$551	2	\$18,150	\$304	\$247	\$15,067
3-br	8	\$769	3	\$20,450	\$336	\$433	\$3,464
Total	168						\$31,500

Source: Cotton/Bridges/Associates

1. Fair Market Rent is determined by HUD for different jurisdictions/areas across the U.S on an annual basis.
2. 2003 Area Median Household Income (AMI) limits based on 2003 Income Limits from the California Department of Housing and Community Development-. In Yuba County, the median family income in 2003 was calculated to be \$45,400 for a family of four. The income limit for a very low-income household was \$15,900 for a one-person household, \$18,150 for a two-person household, and \$20,450 for a three-person household.
3. Affordable cost = 30% of household income minus estimated utility allowance of \$100 for a one-bedroom unit, \$150 for a two-bedroom unit, and \$175 for a three-bedroom unit.

⁹ The standard used by the federal government to determine allowable rents that assisted rental property owners may charge

d. Purchase of Affordability Covenants

Another option to preserve the affordability of the at-risk projects is to provide an incentive package to the owners to maintain the projects as affordable housing. Incentives could include writing down the interest rate on the remaining loan balance, and/or supplementing the Section 8 subsidy received to market levels. The feasibility of this option depends on whether the complex is too highly leveraged. By providing lump sum financial incentives or on-going subsidies in rents or reduced mortgage interest rates to the owner, the City can ensure that some or all of the units remain affordable.

e. Construction of Replacement Units

The construction of new affordable housing units is a means of replacing the at-risk units should they be converted to market-rate units. The cost of developing housing depends upon a variety of factors, including density, size of the units (i.e. square footage and number of bedrooms), location, land costs, and type of construction. Assuming an average construction cost of \$100,000 per unit, it would cost approximately \$16.8 million (excluding land costs) to construct 168 new assisted units. Including land costs, the total costs to develop replacement units will be significantly higher.

f. Cost Comparisons

The above analysis attempts to estimate the cost of preserving the at-risk units under various options. The cost of acquiring the two projects and transferring ownership to non-profit organizations is high (\$6.7 million). In comparison, the annual costs of providing rental subsidies required to preserve the 168 assisted units are relatively low (\$378,000). However, long-term affordability of the units cannot be ensured in this manner. The option of constructing 168 replacement units is very high (\$16.8 million, excluding land costs) and constrained by a variety of factors, including growing scarcity of land, rising land costs, and potential community opposition. The best option to preserve the at-risk units appears to be the purchase of affordability covenants. This option would likely require the participation of the Marysville Community Development Agency.

4. Organizations Interested in Preserving Assisted Rental Housing

The preservation of affordable rental housing at-risk of conversion to market rate housing can be assisted by nonprofit organizations with the capacity and interest in acquiring, managing, and permanently preserving such housing. The California Department of Housing and Community Development maintains a list of such interested nonprofit organizations. Several have expressed an interest in preserving affordable rental housing in the Yuba-Sutter area. These organizations include:

- Mercy Housing California, 3120 Freeboard Drive, West Sacramento, CA 95691 (916) 414-4400
- Christian Church Homes of Northern California, Inc. 303 Hegenberger Road, Suite 201 Oakland, CA 94621 (510) 632-6714
- Community Housing Improvement Program, Inc. 1001 Willow Street, Chico, CA 95928 (530) 891-6931

F. OPPORTUNITIES FOR ENERGY CONSERVATION

Utility-related costs can directly impact the affordability of housing in Northern California. However, Title 24 of the California Administrative Code sets forth mandatory energy standards for new development, and requires adoption of an “energy budget.” In turn, the home building industry must comply with these standards while localities are responsible for enforcing the energy conservation regulations.

The following are among the alternative ways to meet state energy standards.

- The use of passive solar construction techniques that require proper solar orientation, appropriate levels of thermal mass, south facing windows, and moderate insulation levels.
- The use of higher insulation levels in place of thermal mass or energy conserving window orientation.
- The use of active solar water heating in exchange for less insulation and/or energy conserving window treatments.

Other examples of energy saving construction techniques are: 1) locating homes on the northern portion of the sunniest location of building sites; 2) designing structures to admit the maximum amount of sunlight into the building and to reduce exposure to extreme weather conditions; 3) locating indoor areas of maximum usage along the south face of the building and placing corridors, closets, laundry rooms, power core, and garages along the north face; and 4) making the main entrance a small enclosed space that creates an air lock between the building and its exterior; orienting the entrance away from winds; or using a windbreak to reduce the wind velocity against the entrance.

Site planning techniques, the use of landscaping, and the layout of new developments can also reduce energy consumption associated with residential development through reductions in heating and cooling needs, opportunities to use non-motorized vehicles for transportation, and reductions in energy inputs to the development of housing.

Pacific Gas & Electric provides a variety of energy conservation services for residents and PG&E also participates in several other energy assistance programs for lower income households, which help qualified homeowners and renters, conserve energy and control electricity costs. These include the California Alternate Rates for Energy (CARE) Program and the Relief for Energy Assistance through Community Help (REACH) Program.

The California Alternate Rates for Energy Program (CARE) provides a 15 percent monthly discount on gas and electric rates to income qualified households, certain non-profits, facilities housing agricultural employees, homeless shelters, hospices and other qualified non-profit group living facilities.

The REACH Program provides one-time energy assistance to customers who have no other way to pay their energy bill. The intent of REACH is to assist low-income customers, particularly the elderly, disabled, sick, working poor, and the unemployed, who experience severe hardships and are unable to pay for their necessary energy needs.

Marysville’s General Plan contains a policy in the Circulation and Scenic Highways Element to promote pedestrian convenience through requirements that connect residential development with

commercial, shopping, and employment centers. By encouraging development patterns that reduce reliance on motorized vehicles, energy consumption can be reduced in new residential developments. Neither the City's zoning, subdivision, or other codes and ordinances contain implementing regulations to promote or require energy conservation in new development, except for compliance with state energy conservation standards. The City's housing rehabilitation programs includes energy conservation improvements as an eligible activity. The City's design review guidelines applicable in the historic preservation overlay zone and redevelopment project areas (which comprise about 34 percent of the City's territory) promote the use of traditional architectural styles and construction techniques that reduce cooling and heating needs for historic buildings. These guidelines are in the process of being updated, which are expected to include provisions for energy conservation.

G. FUTURE HOUSING NEEDS

1. Overview

State law (California Government Code Section 65584) provides for councils of governments to prepare regional housing allocation plans that assign a share of a region's housing construction need to each city and county. In the six-county Sacramento area, the Sacramento Area Council of Governments (SACOG) is the council of governments authorized under state law to identify existing and future housing needs for the region. SACOG prepared a new regional housing allocation plan in 2000, called the Regional Housing Needs Plan (RHNP). The "RHNP," was adopted by SACOG on May 17, 2001. This plan covers the period from January 1, 2000 through June 30, 2007. The housing allocation includes an "avoidance of impactation" adjustment to reduce the concentration of low-income households in jurisdictions that have more than the regional average. The RHNP also establishes each city's and county's existing unmet need based on overpayment and overcrowding.

SACOG's methodology is based on the regional numbers supplied by the California Department of Housing and Community Development (HCD). The numbers produced by HCD will be provided to SACOG in the form of a regional goal number, which is then broken into income categories. SACOG is then mandated to distribute the numbers to Sacramento area jurisdictions by income categories.

The methodology used to determine the future need considers the growth in number of households expected the need to achieve ideal vacancy rates, the need for more housing opportunities, and compensation for anticipated demolition. An "avoidance of impactation" adjustment is applied to the preliminary allocation figure to avoid further concentration of low-income units in jurisdictions that have more than the regional average.

The RHNP allocation is a minimum needs number—cities and counties may plan for, and accommodate, a larger number of dwelling units than the allocation. The City must however use the numbers allocated under the RHNP to identify measures (policies and ordinances) that are consistent with these new construction goals. While the City must also show how it will accommodate these units to be built, it is not obligated to build any of the units itself or finance their construction.

The City's share of regional housing needs totals 170 new units over the 2002-2007 planning period. Table II-30 provides a breakdown of Marysville's share of the regional housing need by the affordability level/income category: very low-, low-, moderate-, and above-moderate. Through this Housing Element, the City is required to demonstrate the availability of adequate sites to accommodate these new units.

Table II-30: Regional Housing Allocation 2002-2007

Income Category (% of AMI)	RHNA Allocation	
	Percent	Number of Units
Very-Low (<50%)	4.1%	7
Low (51% - 80%)	30.0%	51
Moderate (81% - 120%)	4.1%	7
Above Moderate (120%+)	61.8%	105
Total	100.0%	170

Source: Sacramento Area Council of Governments, *Regional Housing Needs Plan*, September 2001

2. Options for Complying with the Adequate Site Requirement

State law requires jurisdictions to demonstrate that “adequate sites” will be made available over the planning period (2000-2007 for the SACOG region) to facilitate and encourage a sufficient level of new housing production. Jurisdictions must also demonstrate that appropriate zoning and development standards, as well as services and facilities will be in place to facilitate and encourage housing.¹⁰ To that end, the Housing Element must inventory land suitable for residential development, including vacant and underutilized sites, and analyzes the relationship of zoning and public facilities and services to these sites.

In complying with the adequate site requirement, jurisdictions can take credit for the number of new units built during the planning period of 2000-2007 toward the RHNA. New housing units include either those built or occupied (issued a certificate of occupancy) since January 1, 2000.

State law also allows jurisdictions to fulfill a portion of the RHNA with existing housing units. Under Assembly Bill AB 438, jurisdictions can fulfill up to 25 percent of the RHNA for lower income households through the acquisition/rehabilitation of qualified substandard units that would otherwise be demolished. Given the stringent criteria of AB 438, few communities in the State have been able to take advantage of this provision.

AB 438 also authorizes jurisdictions to fulfill a portion of the RHNA through the preservation of affordable units that would otherwise revert to market rents (“at-risk” units), but are preserved through committed assistance from the jurisdiction. However, the high cost of preserving the at-risk units is beyond the current financial resources of the City.

The following discussion identifies how the City may provide for a sufficient number of sites to facilitate housing production commensurate with the 2000-2007 RHNA. In evaluating the adequacy of sites to fulfill the RHNA by income level, HCD assesses a jurisdiction’s development potential by zoning district and corresponding density level. The assumption is that density can reduce the per-unit cost of development and therefore the price or rent of the housing developed.

¹⁰ State of California, Government Code, Section 65583(c)(1).

3. Progress toward Meeting Housing Needs

An important component of the Housing Element is the identification of sites for future housing development and evaluation of the adequacy of these sites in fulfilling the City's share of regional housing needs as determined by SACOG. Between January 2000 and March 2003, eight housing units were completed, and 51 housing units were approved but not yet under construction. Of the 51 approved units, 17 are single-family dwellings (tentative map approved December 2002), 18 are town houses approved as a planned development (August 2002), and 16 are very low- and low-income senior units approved as the renovation and conversion of the historic Wick-Werley House, for which the Marysville Community Development Agency contributed \$50,000.

Provided that all of the housing units approved in 2002 are constructed, the City's remaining housing allocation that it must accommodate under the SACOG RHNP is 111 housing units: 0 very low-income units, 42 low-income units, 0 moderate-income units, and 69 above moderate-income units. Table II-31 summarizes the status of housing units provided or approved since January 2000.

The following assumptions were used to estimate affordability of housing units constructed/approved by income level:

- The Yuba County median income for a family of four was \$45,400 for 2003, according to the California Department of Housing and Community Development.
- The maximum affordable purchase price for a low-income household (80% of median income, or \$31,360) is \$103,000, assuming a ten percent down payment and a loan value of no more than three times the borrower's income.
- The maximum affordable purchase price for a moderate-income household (120% of median income, or \$47,040), is \$155,000, with same purchase price assumptions as for a low-income household.
- The 16 senior units in the Wicks-Werley House will be 100% affordable to very low- and low-income households and will be rent restricted for at least 55 years (if constructed as approved).
- If constructed as approved, the 18-unit Ellis Lake Drive town house project will have purchase prices affordable to a combination of moderate- and above moderate-income households, based on land and construction costs analyzed in Chapter III, Non-Governmental Constraints.
- The 17-lot single-family home subdivision will have purchase prices affordable to above moderate-income households, based on land and construction costs analyzed in Chapter III, Non-Governmental Constraints.

Table II-31: Progress in Meeting Regional Housing Allocation

Income Level	SACOG Allocation*	Units	Remaining Allocation
Units Constructed/Under Construction January 2000 – January 2003			
Very Low	7	0	7
Low	51	0	51
Moderate	7	0	7
Above Moderate	105	8	97
Total	170	8	162
Units Approved (2002)			
Income Level	Remaining Allocation	Units	Remaining Allocation After Project Completion
Very Low	7	7	0
Low	51	9	42
Moderate	7	7	0
Above Moderate	97	28	69
Total	162	51	111

Source: City of Marysville

*Sacramento Area Council of Governments *Regional Housing Needs Plan*, September 2001



III. RESOURCES AND CONSTRAINTS

A. RESOURCES

1. Available Land to Accommodate Housing

a. Overview

Marysville is primarily a built-out city with few large parcels of undeveloped land. Most residential development will occur on relatively small parcels (although there are several properties of more than one acre remaining in the City) or the re-use of underutilized properties. Over the past decade, much of Marysville's residential development has occurred through planned developments, projects on vacant commercial properties and small residential infill lots, and the renovation and conversion of historic commercial buildings to residential use. Over the past several years, the City has experienced increasing interest and inquiries among home builders in using small, infill lots, even those commercially-zoned, for housing.

b. Definition of "Adequate Sites"

To determine whether the City has sufficient land to accommodate its share of regional housing needs for all income groups, the City must identify "adequate sites." Under state law (California Government Code section 65583[c][1]), adequate sites are those with appropriate zoning and development standards, with services and facilities, needed to facilitate and encourage the development of a variety of housing for all income levels. The California Department of Housing and Community Development, in its guidelines that interpret state law (Housing Element Questions and Answers, Question #23) states that:

1. The locality's sites are adequate if the land inventory demonstrates sufficient realistic capacity at appropriate densities and development standards to permit development of a range of housing types and prices to accommodate the community's share of the regional housing need by income level. A two-part analysis is necessary to make this determination:
2. Can the realistic development capacity of suitable land, which is or will be served by facilities and infrastructure, accommodate the locality's total new construction need by income group over the next five years?
3. Are these available sites appropriately zoned (considering local development standards and land costs) for a variety of housing types (single-family, multifamily, mobile homes, etc.) and at appropriate densities to facilitate the development of housing to meet the locality's regional housing need by income level category, including the need for very low- and low-income households?

c. Relationship of Zoning Standards to Adequate Sites

The extent to which the City has "adequate sites" for housing affordable to very low- or low-income households will depend, in part, on zoning standards, particularly the maximum allowed density, parking, building coverage, height, and set-back standards. The adequacy of sites will also depend on whether the City grants exceptions or variances to these requirements to reflect the challenges of

building on small, irregularly-shaped parcels, thereby reducing development costs and increasing development capacity. As documented in Chapter III (Section B-1, Governmental Constraints) the City has granted such exceptions and variances in the past to permit full utilization of infill parcels. The feasibility of producing affordable housing on small lots will also depend on developers' ability to obtain favorable financing terms and subsidies. As documented in Chapters II and III, several recent housing projects have been successful in obtaining such financing and subsidies. The City has also provided financial assistance to affordable housing projects in the past in the form of direct subsidies for project development and pre-development assistance (feasibility and design studies).

The combination of the City's flexible zoning standards, allowances for housing on commercial properties and a history of approving housing on commercial properties, planned development overlay provisions, a history of granting exceptions and variances, and willingness to provide financial assistance demonstrate that Marysville can accommodate its remaining share of regional housing needs on sites available within the existing city limits.

Many of the sites identified by the City with residential development potential are located on properties zoned for commercial or manufacturing use. Because of the small parcel sizes typical in Marysville, the types of commercial and manufacturing uses prevalent in the City on these small parcels, and the mixed nature of land uses in many neighborhoods, even properties designated for commercial or manufacturing use may be appropriate for infill housing. Marysville's situation is very different than for most communities, in which commercial and manufacturing zoning often implies land uses that are incompatible with residential land uses.

d. Vacant Land Inventory

As part of the 2003 Housing Element update, an analysis of the residential development potential in Marysville was conducted February 2003. City staff performed a parcel-specific vacant and underutilized sites analysis within the existing City limits. The analysis did not include residential development potential within the proposed North Marysville Specific Plan area because the City does not believe land north of the City will be needed before 2008 to meet future housing needs. Based on the analysis, the City concluded that it could accommodate 271 additional housing units on vacant properties.

The City must show that it can accommodate an additional 42 housing units affordable to low-income households and 69 housing units affordable to above moderate-income households. The land use inventory and the City's estimate of residential development potential are based on the following assumptions:

- The average net density of single-family homes on R-1 lots will be one dwelling unit per 6,000 square feet for new lots, with exceptions allowed for small subdivisions that create lots of similar size and dimension to existing lots within a neighborhood. For existing lots of less than 6,000 square feet, the City assumes that one dwelling unit will be permitted, as has been the City's past practice.
- The average density of housing on lots of less than one acre that are zoned to permit multifamily housing, including non-residential zones that permit multifamily housing, will be approximately one dwelling unit per 2,000 square feet. This assumption is consistent with typical residential densities the City has experienced on small, infill parcels and is a permissible density in both R-3 and R-4 zones. This assumption is also consistent with a study conducted by the City in 1998 (Marysville Housing Study), which included conceptual housing project designs for a one-acre (one-half block) infill project in downtown Marysville.

The three alternative designs, one family housing project and two senior housing projects, had residential densities of 22, 27, and 31 dwelling units per acre (2,000 to 1,400 square feet of lot area per dwelling unit). The City assumes that projects on parcels of less than one acre will not achieve the highest density of the three design alternatives, but can accommodate projects in the lower-middle range density range.

- Non-residential zones that permit multifamily housing have fewer restrictions on residential densities than do lots in R-3 and R-4 zones, so the City's assumptions regarding achievable densities for small R-3 and R-4 lots should also be applicable to small non-residential lots. The City recognizes that only a portion of the inventory of non-residential lots will be developed with residential or residential-commercial mixed uses. However, given the increasing interest and inquiries the City has experience over the past several years in developing housing on small, non-residential lots, it is reasonable to assume that a significant number of such lots will be developed with housing.
- On commercial and manufacturing sites that are determined to have mixed-use potential, the City has assumed that a typical project will consist of two or more stories, with housing on the upper floor(s). This assumption is consistent with historic patterns of mixed building use in Marysville and future patterns that the City encourages through its zoning standards.
- The average density of housing on lots with one acre or more will be 25 units per acre and will include a mixture of multifamily housing types. The range of densities of multifamily housing projects constructed since 1999, and the design alternatives proposed in the 1998 Marysville Housing Study, suggest that 16 to 31 dwelling units per acre is the most likely range of housing densities the City will experience. The City's assumption of an average density of 25 units per acre represents the upper middle-range of density for residential projects on larger sites. The City can ensure that this upper middle density range is achieved through a combination of regulatory and financial incentives to developers of larger properties (see Chapter IV, Housing Strategy), especially developers who propose affordable housing projects.
- The City is likely to grant exceptions or variances to minimum lot dimension, parking, setback, and other zoning standards, as has been the City's practice for prior residential infill projects, to allow property owners to achieve the densities assumed above. For infill properties in the downtown area, the City assumes that one or fewer parking spaces will be required per dwelling unit, depending on the type of residential project (for example, housing for seniors or persons with disabilities, single adults, or families).
- The production of housing affordable to low-income households is feasible on properties that can accommodate five or more units, assuming the City grants regulatory and financial incentives. The production of housing affordable to very low-income households is only feasible on properties of one acre or more, even with regulatory and financial incentives. To date, residential developments that have included significant numbers of dwelling units affordable to very low-income households have been constructed on sites of one acre or more, with the exception of the proposed Wicks-Werley House project, a residential/commercial re-use development.
- Of the dwelling units produced on lots of $\frac{1}{4}$ acre or more in the R-3 and R-4 zones, 50 percent (14 units) will be affordable to low-income households as rental units. Of the residential development potential on commercial and manufacturing lots, 25 percent will occur as housing affordable to low-income households (15 units).

- At least one of the three vacant PD-zoned properties will be developed with a housing project in which 100 percent of the units will be affordable to low-income households. The PD zone has been used almost exclusively for multifamily residential development in Marysville. The two remaining PD-zoned parcels are located in an area of the City with other PD sites developed as multifamily housing. It is reasonable to assume, therefore, that the remaining two sites will also be developed for multifamily housing.

Based on these three assumptions, the City can meet its remaining share of regional housing needs for low-income households (42 units). Table III-1 lists vacant and underutilized parcels within the existing city limits and the City's estimate of residential development potential given the assumptions above. Figure III-1 shows the location of these sites.

Table III-1: Vacant and Underutilized Parcels in Marysville

APN	Zone	Acres	Status/ Notes	Net Potential (Units)	Potential Affordability
008031003000	R-1	0.253	Vacant	2	Mod/Above Mod
008242005000	R-1	0.425	Vacant	3	Mod/Above Mod
008353006000	R-1	0.137	Vacant	1	Mod/Above Mod
009201013000	R-1	0.152	Underutilized – with existing unit	0	Mod/Above Mod
009201015000	R-1	0.307	Vacant	2	Mod/Above Mod
009280001000	R-1	0.851	Vacant	6	Mod/Above Mod
Sub-Total, R-1:				14	
009083007000	R-3	0.240	Vacant	5	Low/Mod
009086018000	R-3	0.145	Vacant	3	Mod/Above Mod
009131015000	R-3	0.077	Vacant	1	N/A
009131018000	R-3	0.154	Vacant	2	Mod/Above Mod
009131027000	R-3	0.077	Vacant	1	Mod/Above Mod
010286004000	R-3	0.193	Vacant	4	Mod/Above Mod
010286005000	R-3	0.268	Underutilized – with existing unit	5	Low/Mod
010286006000	R-3	0.078	Vacant	1	Mod/Above Mod
010290001000	R-3	0.189	Vacant	3	Mod/Above Mod
009202002000	R-4	0.259	Vacant	5	Low/Mod
009202011000	R-4	0.338	Vacant	7	Low/Mod
009206001000	R-4	0.303	Vacant	6	Low/Mod
010042005000	R-4	0.220	Vacant	4	Mod/Above Mod
Subtotal, R-3				47	
010042003000	C-2	0.147	Vacant	2	Mod/Above Mod
010042004000	C-2	0.312	Vacant	6	Low/Mod
009236017000	C-3	0.088	Vacant	1	Mod/Above Mod

Table III-1: Vacant and Underutilized Parcels in Marysville

APN	Zone	Acres	Status/ Notes	Net Potential (Units)	Potential Affordability
010244010000	C-3	0.111	Vacant	2	Mod/Above Mod
010244011000	C-3	0.072	Vacant	1	Mod/Above Mod
010244029000	C-3	0.108	Vacant	1	Mod/Above Mod
010282001000	C-3	0.058	Vacant – potential for mixed use	1	Mod/Above Mod
010282002000	C-3	0.232	Vacant – potential for mixed use	5	Low/Mod
010282003000	C-3	0.055	Vacant – potential for mixed use	1	Mod/Above Mod
010282017000	C-3	0.082	Vacant – potential for mixed use	1	Mod/Above Mod
010282018000	C-3	0.066	Vacant – potential for mixed use	1	Mod/Above Mod
010282019000	C-3	0.074	Vacant – potential for mixed use	1	Mod/Above Mod
010282020000	C-3	0.123	Vacant – potential for mixed use	2	Mod/Above Mod
010282021000	C-3	0.047	Vacant – potential for mixed use	1	Mod/Above Mod
010285015000	C-3	0.075	Vacant – potential for mixed use	1	Mod/Above Mod
010285016000	C-3	0.092	Vacant – potential for mixed use	1	Mod/Above Mod
010285017000	C-3	0.045	Vacant – potential for mixed use	1	Mod/Above Mod
010285018000	C-3	0.093	Vacant – potential for mixed use	1	Mod/Above Mod
010300052000	C-3	0.112	Vacant – potential for mixed use	2	Mod/Above Mod
010044010000	CH	0.295	Vacant – potential for mixed use	6	Low/Mod
Sub-Total, Commercial:				38	
009116006000	M-1	0.296	Vacant	6	Low/Mod
009154017000	M-1	0.551	Vacant	12	Low/Mod
010285029000	M-1	0.075	Vacant – potential for mixed use	1	Mod/Above Mod
010285030000	M-1	0.152	Vacant – potential for mixed use	1	Mod/Above Mod
Sub-Total, Manufacturing:				20	
009073006000	PD	1.223	Vacant	30	Very Low/Low/Mod
009300005000	PD	2.060	Vacant	51	Very Low/Low/Mod
009300006000	PD	2.855	Vacant	71	Very Low/Low/Mod
Sub-Total, Planned Development:				152	
Total:				271	

Sources: City of Marysville; Cotton/Bridges/Associates

e. Development Potential from Underutilized Commercial Sites

The City has also identified several commercial structures with residential development potential on the upper floor(s) above ground level commercial uses based on:

- Building condition – some of the buildings need rehabilitation and/retrofitting for residential use on upper floors, but all are feasible to convert to residential use.
- General size and configuration, which is sufficient to permit conversion of upper floors and the provision of access for residential purposes.
- Current upper floor use – most the upper floor space in the identified buildings is vacant or underutilized.
- Compatibility of residential use with current ground floor use – the City has made an initial evaluation of the compatibility of existing ground floor uses with residential uses on upper floors. A more detailed evaluation would be part of the use permit process.

The City cannot, absent an inspection and conceptual design for each building, accurately estimate the residential development potential and the cost of converting upper floor space to residential use. A conservative estimate, based on the proposed Wicks-Werley House project, is that the commercial structures identified by the City could accommodate 100 additional dwelling units. To facilitate the re-use of upper floor commercial space, the City could assign a building inspector to conduct preliminary inspections and identify building code compliance issues. The City could then conduct a subsequent design study to estimate the number and type of dwelling units that can be produced and the cost of converting the commercial space. To facilitate the creation of affordable units, the City could offer regulatory and financial incentives, as discussed in Chapter IV, Housing Strategy.

Table III-2 lists the parcels numbers and commercial zoning of these properties. Based on the recent Wicks-Werley House proposal (16 senior housing units), a conservative estimate of the residential development potential is 100 housing units.

Table III-2: Commercial Structures with Housing Potential

APN	Zone	Land Potential or Activity
010175006000	C-2	Existing commercial - residential upstairs
010182006000	C-2	Existing commercial - residential upstairs
009236016000	C-3	Increase density - one existing structure
010233023000	C-3	Existing commercial - residential upstairs
010242009000	C-3	Existing commercial - residential upstairs
010242014000	C-3	Existing commercial - residential upstairs
010242016000	C-3	Existing commercial - residential upstairs
010244021000	C-3	Existing commercial - residential upstairs

Source: City of Marysville

Figure III-1: Location of Vacant Sites



Note: This map is for illustrative purposes only. Details of parcels identified on this map can be obtained from the Marysville Planning Department.

2. Administrative and Financial Resources

a. Administrative Resources

Described below are public and non-profit agencies that have been involved or are interested in housing activities in Marysville. These agencies play important roles in meeting the housing needs of the community. In particular, they are or can be involved in the improvement of the housing stock, expansion of affordable housing opportunities, preservation of existing affordable housing, and/or provision of housing assistance to households in need.

i. Marysville Community Development Agency (MCDA)

The MCDA is responsible for leading the City's redevelopment effort. The MCDA has adopted the Marysville Plaza Redevelopment Plan, which calls for the orderly development of a wide variety of uses within the project area. The Agency also adopted the Marysville Plaza Urban Design and Development Plan to ensure the quality of development in the area. The MCDA has been most active in the central business district, where there have been signs of blight and economic distress. As of June 30, 2002, the Agency had an unencumbered Low- and Moderate Income Housing Set-Aside fund balance of \$627,693. Between fiscal years 2002-2003 and 2006-2007, the Agency anticipates it will accumulate approximately \$75,000 per year in additional housing set-aside funds, or \$375,000. The Agency anticipates that it will continue to use its housing set-aside funds to focus on the following activities:

- Housing rehabilitation and reconstruction, either funded solely by the Agency or in combination with state and/or federal grants;
- Renovation and conversion of historic buildings for residential use benefiting low- and moderate-income households;
- Financial support for construction of senior or family housing for low- and moderate-income households;
- Retrofitting or residential structures for accessibility to persons with disabilities; and
- Supportive services that accompany housing developments assisted by the Agency.

ii. Chico Housing Improvement Program (CHIP)

CHIP is a non-profit organization that has been providing self-help affordable housing for low-income individuals and families since 1973. CHIP develops new, affordable, energy efficient, single-family homes for residents in various Northern California counties. To date, CHIP has provided over 1,000 self-help homes. The majority of the funding for technical assistance to implement CHIP is provided by USDA's Rural Development 523 Program. Using this funding, CHIP in turn organizes and supervises groups of households in the building of their own homes.

iii. Habitat for Humanity Yuba/Sutter

Habitat for Humanity is a non-profit, faith-based organization dedicated to building affordable housing and rehabilitating homes for lower income families. Habitat builds and repairs homes with the help of volunteers and partner families. Habitat homes are sold to partner families at no profit with affordable, no-interest loans. Volunteers, churches, businesses, and other groups provide most of the labor for the homes. Government agencies or individuals typically donate land for new homes. Habitat has completed one home in Marysville and two homes in Olivehurst, and will soon complete two homes in Yuba City.

iv. Mercy Housing California (MHC)

MHC is a non-profit developer that develops affordable housing for families, seniors, formerly homeless persons, individuals with HIV/AIDS and persons with chronic mental illnesses and physical impairments. With the assistance of public and private funding, MHC builds or rehabilitates housing to meet community needs. The types of housing developed include multi-unit rental apartments and single-family homes, single room occupancy apartments for formerly homeless adults, and handicap-

accessible units for individuals with physical impairments. MHC was involved in the development of three new single-family homes in the 12th and I Streets neighborhood.

v. Rural California Housing Corporation (RCHC)

RCHC was formerly a separate non-profit organization created to develop homeownership opportunities for low-income households using the self-help development process. RCHC was one of the earliest grantee under the then Farmers Home Administration (FmHA) Section 523 technical assistance program for self-help housing development. For the first 20 years of its existence, RCHC focused on self-help housing development. Since the 1980s, the organization's housing program diversified to include rehabilitation and rental housing development, including the preservation of "at-risk" housing projects. RCHC merged with Mercy Housing California in 2000.

vi. Yuba County Housing Authority

The Yuba County Housing Authority administers the Section 8 rental assistance program for the entire County. As of January 2003, approximately 200 Marysville households received Section 8 assistance from the Housing Authority. Countywide, 412 households are receiving Section 8 assistance, with 314 households on the waiting list for assistance.

b. Financial Resources

Marysville has access to a variety of existing and potential funding sources available for affordable housing activities. They include programs from local, State, federal and private resources, and are summarized in Table III-3. Described below are the three largest housing funding sources the City of Marysville can use for housing production, rehabilitation, or preservation: Community Development Block Grant grants, Home Investment Partnership Program grants, and redevelopment set-aside funds.

i. Community Development Block Grant (CDBG) Funds

The CDBG program provides funds for a range of community development activities. The program is flexible in that the funds can be used for a range of activities. The eligible activities include, but are not limited to: acquisition and/or disposition of real estate or property, public facilities and improvements, relocation, rehabilitation and construction (under certain limitations) of housing, homeownership assistance, and also clearance activities. In 1998 and 2002, the City received CDBG Planning and Technical Assistance Grants to assess the housing rehabilitation needs of multifamily housing in the Downtown Core area.

In 1999, the City received a \$500,000 grant for housing rehabilitation to reconstruct four housing units in the City's CDBG target areas. Under the City's Program Income Reuse Plan, Marysville uses income generated from loan repayments and other sources related to its CDBG grants to provide additional housing rehabilitation and other program assistance.

In 2001, the City was awarded a CDBG grant for \$500,000 for the Wicks-Werley House renovation and contributed to the project \$140,000 of program income received from previous CDBG grants.

ii. HOME Investment Partnership Program Funds (HOME)

Federal HOME funds can be used for activities that promote affordable rental housing and homeownership for lower-income households. Such activities include the following: building

acquisition, new construction, reconstruction, moderate or substantial rehabilitation, first-time homebuyer assistance, and tenant-based assistance. A federal priority for the use of HOME funds is preservation of the at-risk housing stock. In recent years, the City of Marysville has been able to secure HOME funds through the State to offer a home rehabilitation program for property owners.

iii. Redevelopment Housing Set-Aside Funds

State law requires the Marysville Community Development Agency to set aside a minimum of 20% of all tax increment revenue generated from redevelopment projects for affordable housing. The Agency's set-aside funds must be used for activities that increase, improve, or preserve the supply of affordable housing. Housing developed under this program must remain affordable to the targeted income group for at least 55 years for rentals and 45 years for ownership housing. The MCDA has generated a limited amount of housing set-aside funds through its redevelopment project area. However, the Agency allocated \$50,000 to support the development of the Wicks-Werley House, a proposed low-income senior housing apartment and retail project.

Table III-3: Financial Resources for Housing Activities

Program Name	Description	Eligible Activities
I. Federal Programs		
Community Development Block Grant (CDBG)	Grants available to the City on a competitive basis for a variety of housing and community development activities. City competes for funds through the State's allocation process	- Acquisition - Rehabilitation - Home Buyer Assistance - Economic Development - Homeless Assistance - Public Services
HOME	Grant program available to the City on a competitive basis for housing activities. City competes for funds through the State's allocation process.	- Acquisition - Rehabilitation - Home Buyer Assistance - Rental Assistance
Low-income Housing Tax Credits (LIHTC)	Tax credits are available to persons and corporations that invest in low-income rental housing. Proceeds from the sales are typically used to create housing.	- New Construction - Acquisition - Rehabilitation
Mortgage Credit Certificate (MCC) Program	Income tax credits available to first-time homebuyers to buy new or existing single-family housing. County Housing Authority makes certificates available.	- Home Buyer Assistance
Section 8 Rental Assistance Program	Rental assistance payments from County Housing Authority to owners of private market rate units on behalf of very low-income tenants.	- Rental Assistance - Home Buyer Assistance

Table III-3: Financial Resources for Housing Activities

Program Name	Description	Eligible Activities
Section 202	Grants to non-profit developers of supportive housing for the elderly.	- Acquisition - Rehabilitation - New Construction
Section 203(k)	Provides long-term, low interest loans at fixed rate to finance acquisition and rehabilitation of eligible property.	- Land Acquisition - Rehabilitation - Relocation of Unit - Refinance Existing Indebtedness
Section 811	Grants to non-profit developers of supportive housing for persons with disabilities, including group homes, independent living facilities and intermediate care facilities.	- Acquisition - Rehabilitation - New Construction - Rental Assistance
U.S. Department of Agriculture (USDA) Housing Programs (Sections 514/516)	Below market-rate loans and grants for farmworker rental housing.	- New Construction - Rehabilitation
2. State Programs		
Affordable Housing Partnership Program (AHPP)	Provides lower interest rate CHFA loans to home buyers who receive local secondary financing.	- Home Buyer Assistance
CalHOME	Provides grants to local governments and non-profit agencies for local home buyer assistance and owner-occupied rehabilitation programs and new home development projects. Will finance the acquisition, rehabilitation, and replacement of manufactured homes.	- Home Buyer Assistance - Rehabilitation - New Construction
California Housing Assistance Program	Provides 3% silent second loans in conjunction with 97% CHFA first loans to give eligible buyers 100% financing.	- Home Buyer Assistance
California Housing Finance Agency (CHFA) Rental Housing Programs	Below market rate financing offered to builders and developers of multifamily and elderly rental housing. Tax exempt bonds provide below-market mortgages.	- New Construction - Rehabilitation - Acquisition

Table III-3: Financial Resources for Housing Activities

Program Name	Description	Eligible Activities
California Housing Finance Agency (CHFA) Home Mortgage Purchase Program	CHFA sells tax-exempt bonds to make below-market loans to first-time buyers. Program operates through participating lenders who originate loans for CHFA.	- Home Buyer Assistance
California Self-Help Housing Program (CSHHP)	Provides grants for the administration of mutual self-help housing projects.	- Home Buyer Assistance - New Construction
Downtown Rebound	Funding to facilitate infill development and conversion of commercial buildings for "live-work" spaces.	- Rehabilitation - Conversion
Emergency Housing and Assistance Program (EHAP)	Provides grants to support emergency housing.	- Shelters & Transitional Housing
Emergency Shelter Program	Grants awarded to non-profit organizations for shelter support services.	- Support Services
Farmworker Housing Assistance Program	Provides State tax credits for farmworker housing projects.	- New Construction - Rehabilitation
Housing Enabled by Local Partnerships (HELP)	Provides 3% interest rate loans, with repayment terms up to 10 years, to local government entities for locally-determined affordable housing priorities.	- New Construction - Rehabilitation - Acquisition - Home Buyer Assistance - Site Acquisition - Site Development
Joe Serna Jr. Farm-worker Housing Grant Program (FWHG)	Provides recoverable grants for the acquisition, development and financing of ownership and rental housing for farmworkers.	- Home Buyer Assistance - Rehabilitation - New Construction
Multi-Family Housing Program (MHP)	Deferred payment loans for the new construction, rehabilitation and preservation of rental housing.	- New Construction - Rehabilitation - Preservation
Self-help Builder Assistance Program (SHBAP)	Provides lower interest rate CHFA loans to owner-builders who participate in self-help housing projects. Also provides site acquisition, development and construction financing for self-help housing projects.	- Home Buyer Assistance - New Construction - Site Acquisition - Site Development

Table III-3: Financial Resources for Housing Activities

Program Name	Description	Eligible Activities
Supportive Housing/ Minors Leaving Foster Care	Funding for housing and services for mentally ill, disabled and persons needing support services to live independently.	- Supportive Housing - Foster Care
3. Local Programs		
Financial Incentives under the Density Bonus Ordinance	The City's Density Bonus Ordinance offers financial incentives, as required by State law.	- New Construction
Redevelopment Housing Fund	State law requires that 20% of Redevelopment Agency funds be set aside for a wide range of affordable housing activities governed by State law.	- Acquisition - Rehabilitation - New Construction
4. Private Resources/Financing Programs		
California Community Reinvestment Corporation (CCRC)	Non-profit mortgage banking consortium designed to provide long term debt financing for affordable multifamily rental housing. Non-profit and for profit developers contact member banks.	- New Construction - Rehabilitation - Acquisition
Federal National Mortgage Association (Fannie Mae)	- Fixed rate mortgages issued by private mortgage insurers.	- Home Buyer Assistance
	- Mortgages which fund the purchase and rehabilitation of a home.	- Home Buyer Assistance - Rehabilitation
	- Low Down-Payment Mortgages for Single-Family Homes in underserved low-income and minority cities.	- Home Buyer Assistance
Freddie Mac Home Works	Provides first and second mortgages that include rehabilitation loan. City provides gap financing for rehabilitation component. Households earning up to 80% MFI qualify.	- Home Buyer Assistance

Source: Cotton/Bridges/Associates, December 2002.

B. CONSTRAINTS

1. Governmental Constraints

a. Overview

Local policies and regulations can impact the price and availability of housing and, in particular, the provision of affordable housing. Land use controls, site improvement requirements, fees and exactions, permit processing procedures, and other factors may constrain the maintenance, development, and improvement of housing. This section discusses potential governmental constraints as well as policies that encourage housing development in Marysville.

State and federal regulations also affect the availability of land for housing and the cost of producing housing. Regulations related to environmental protection, prevailing wages for publicly-assisted construction projects, construction defect liability, building codes, and other topics have significant, often adverse impacts on housing cost and availability. Perhaps one of the greatest constraints to the production of housing affordable to lower-income households is the chronic shortage of state and federal financial assistance for such housing.

While Marysville recognizes that constraints exist at other levels of government, the City has little or no control over these regulations and no ability to directly mitigate them. This section of the Housing Element, therefore, focuses only on policies and regulations adopted by the City that can be mitigated by the City.

b. Land Use Policies

The Land Use Element of the Marysville General Plan contains policies for guiding development. Land use policies in the General Plan are implemented through several types of ordinances, including the Zoning and Subdivision ordinances. Zoning regulations establish the amount and distribution of land for different uses within the City, while subdivision regulations establish requirements for the division and improvement of land.

The General Plan has three residential land use designations: low density (1 – 12 units per acre), medium density (up to 24 units per acre), and high density (up to 48 units per acre). These designations permit a variety of housing types and densities for urban residential use. The Redevelopment Element provides for land uses consistent with redevelopment area plans, which could include housing and residential/mixed use projects in commercial portions of the redevelopment area.

The City has adopted zoning standards for these general plan categories that include four residential zones and four commercial zones that allow residences with a use permit. Table III-4 summarizes the General Plan land use categories and corresponding residential zones.

Table III-4: Land Use Categories Permitting Residences

General Plan	Zoning Designation(s)	Density (du/ac)	Minimum Site Area/Unit (sq. ft.)	Typical Residential Type(s)
Residential				
Low Density	R-1 (Single-Family Residence District)	1 – 7	6,000 interior 7,000 corner	One single-family detached home per lot
	R-2 (Two-Family Residence District)	1 – 12	6,000 interior 7,000 corner	One two-family dwelling per lot (single-family attached, duplex, halfplex, etc.)
Medium Density	R-3 (Neighborhood Apartment District)	1 – 24	6,000 interior 7,000 corner	2- to 4-unit buildings (multiple buildings allowed on individual lots)
High Density	R-4 (General Apartment District)	1 – 48	6,000 interior 7,000 corner	Group dwellings, multiple family dwellings, apartments, and condominiums
Commercial				
Commercial	C-1 (Neighborhood Shopping) C-2 (Central Business Dist.) C-3 (General Commercial) C-H (Highway Commercial)	No Limit	None	Any type allowed with a use permit

Sources: Marysville General Plan, 1985; Marysville Zoning Ordinance (Marysville Municipal Code, Title 18)

c. Special Planning Areas

Marysville has established several special planning areas within the current city limits and the City's planning area. Figure III-2 shows these areas. These special planning areas are:

- a. Marysville Redevelopment Agency project plan areas
- b. Marysville Plaza Project Area (one of the redevelopment project areas)
- c. North Marysville Specific Plan (outside the present City limits)
- d. Historic Preservation Overlay Zoning District

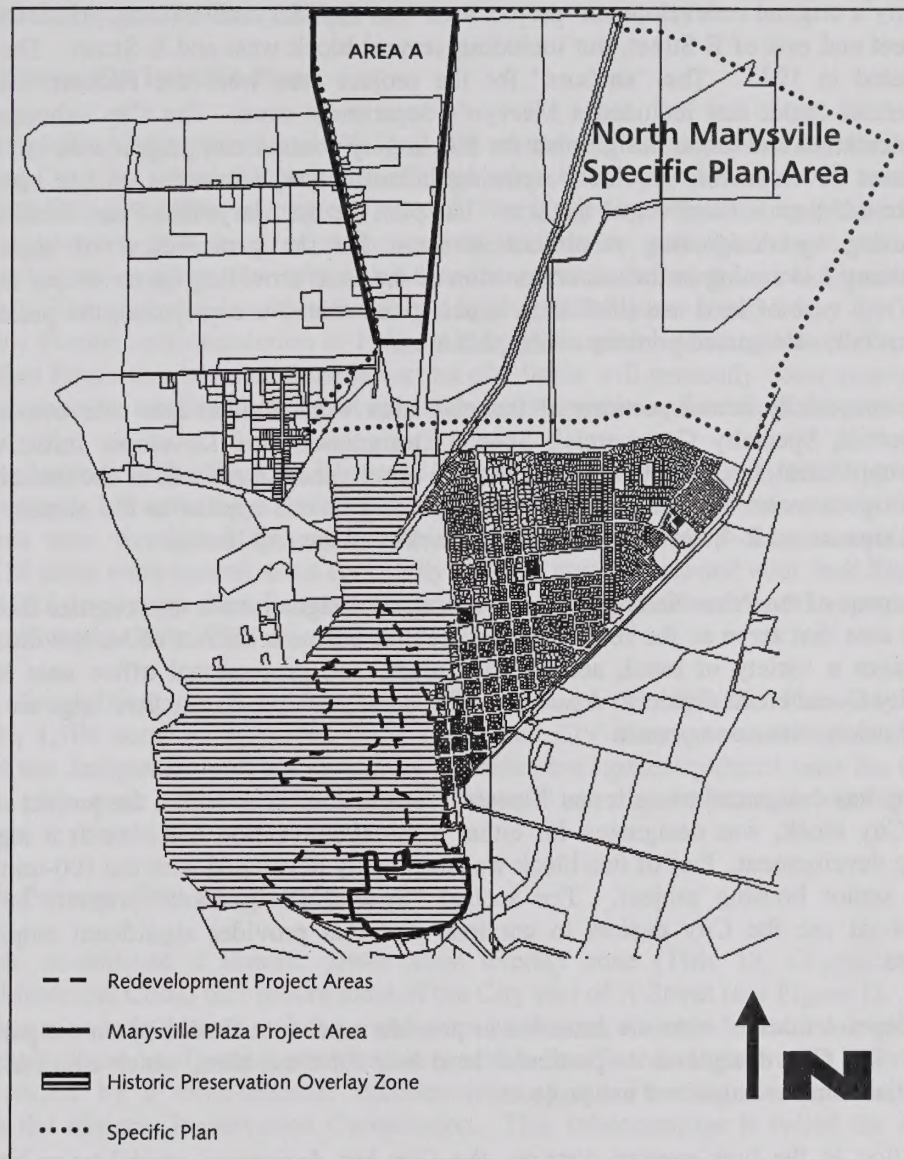
i. Redevelopment Project Area Plans

Marysville has created several redevelopment project areas that cover most of the City south of 5th Street, areas adjacent to the Highway 70 (B Street) corridor, Washington Square (including areas to the north and west), and areas adjacent to Highway 20 (12th Street), and Ramirez Street. The redevelopment project area plans do not directly regulate land use, except for the Marysville Plaza

Project Area (see below). Rather, the plans focus on the elimination of blight, the rehabilitation of existing structures, and public improvements. The City has adopted design review guidelines and supplemental development standards applicable in the Marysville Plaza project area and the historic preservation overlay zone. These guidelines and regulations are discussed later in the Governmental Constraints section of the Housing Element. The existence of redevelopment project areas and plans facilitates the provision of housing in the following ways:

- Funds are targeted in the project areas for the preservation and rehabilitation of housing and other significant buildings that could be converted to housing.
- The Redevelopment Agency uses its powers to assist in the assembly of properties.
- The existence of redevelopment project areas provides additional flexibility to develop or redevelop properties for mixed-use housing/commercial projects (see the discussion of the Marysville Plaza Project area).

Figure III-2: Special Planning Areas



ii. Marysville Plaza Project

The City's original redevelopment project area was the Marysville Plaza, primarily located south of 4th Street and east of E Street, but including several block west and E Street. The project area was designated in 1975. The "anchors" for the project area were the Packard Library and a new commercial center that included a Mervyn's department store. The City subsequently adopted an implementation and urban design plan for this largely commercial project area in 1979 to coordinate and direct development, provide supporting infrastructure, retain the unique historic aspects, and promote architectural and visual quality. The plan for the Marysville Plaza facilitates the provision of housing by designating rehabilitation areas for the preservation of significant buildings, maintaining R-4 zoning in the eastern portion of the area, providing for developer initiative areas that permit any type of land use (including housing and mixed-use projects), the permitting housing in commercially-designated portions of the plan area.

The commercially zoned portions of the plan area were divided into four overlay zones: Prime Commercial, Specialty Commercial, Special Designation, and Developer Initiative. The overlay zones supplement, but do not substitute for, the development standards of the underlying zones in the Plaza Project area. None of the four overlay designations applies to the eastern-most part of the project area zoned R-4, between the railroad tracks and the city limits.

The purpose of the Prime and Specialty Commercial designations is to recognize those portions of the project area that serve as the retail core and central business district of Marysville. The Plaza Plan encourages a variety of retail, service, restaurant, and professional office uses in the Prime and Specialty Commercial districts. Apartment hotels and multiple family dwellings are also permitted in these districts with a use permit.

The City has designated two sites as "Special Designation" sites within the project area. One site, an entire City block, was designated for either a motel/convention complex or a high-density senior housing development. Part of this block was eventually developed with the 100-unit Buttes Christian Manor senior housing project. The second "Special Designation" property is non-conforming commercial use the City desires to continue and that provides significant employment to local residents.

"Developer Initiative" sites are intended to provide maximum flexibility on the part of the property owner. The City designates no particular land uses for these sites, which could include housing or residential/commercial mixed use projects.

In addition to the four overlay districts, the City has designated rehabilitation areas in which to preserve groups of buildings and architectural themed areas. The purpose of the rehabilitation areas is to preserve and upgrade historic buildings and landmarks. The City believes that preservation can best be achieved by retaining groups of buildings rather than individual structures in isolation. The architectural theme areas are designated to retain structures of particular architectural merit and areas of social/cultural heritage. The City has designated five theme areas, each of which could accommodate housing and/or mixed-use projects:

- D Street historical/commercial corridor
- B/Third Street historical corridor
- Chinese Business District

- First Street (Old Marysville pre 1900)
- B Street (Marysville circa 1900)

iii. North Marysville Specific Plan

A proposed specific plan prepared in 1991 for 2,714 acres north of the present city limits (see Figure III-2 above). The City selected this area for future urban development because of contiguous large parcels with a limited number of property owners, the feasibility of extending public facilities and services, the relatively low level of environmental constraints, and the current pattern of urban development (which suggests that urbanization to the north is the most logical direction for future development). The plan area is within the City's Sphere of Influence approved by the Yuba County Local Agency Formation Commission in 1986. Although the plan has not yet been adopted, the City anticipates that future development outside current city limits will generally occur as proposed in the specific plan, once the area is annexed and necessary infrastructure and services are provided.

The planning horizon of the Specific Plan was 20 years, from 1992 through 2012. At the time the plan was prepared, 195 acres were developed for rural residential use or were vacant parcels for such use, 14 acres were developed for commercial or industrial uses, five acres comprised the City cemetery, 218 acres were natural areas (primarily riparian areas associated with Jack Slough, and the remaining 2,282 acres were used for various agricultural activities. These land use patterns have not changed significantly since 1991.

The Yuba County General Plan designates 779 acres of the Specific Plan area as planned development, 1,706 acres as enhanced open space, and 229 acres as natural open space. These County land use designation will not determine ultimate development patterns once the City annexes the specific plan area. Environmental conditions and other potential constraining factors are described later in this section.

iv. Historic Preservation Overlay Zone

The City has established a historic preservation overlay zone (Title 18, Chapter 18.94 of the Marysville Municipal Code) that covers most of the City east of A Street (see Figure 1). The purpose of the overlay zone is to protect, enhance, and perpetuate sites, structures, and areas with historic or architectural significance. Development activities within the Historic Preservation Overlay Zone are subject to review by a three-member subcommittee of the Planning Commission, which also functions as the Historic Preservation Commission. This subcommittee is called the Architectural Review Board.

The Board's role is to ensure that projects are consistent with the City's Design Review Manual (described later in this section). Projects subject to review by the Board include any exterior work on designated historic buildings or sites and those in the vicinity. The City maintains an inventory of such sites. In carrying out its responsibility, the Board considers the architectural style, design, arrangement, texture, materials, and colors of existing buildings and proposed modifications. The time required for Board review does not impose an additional constraint on the re-use or modification of existing buildings or sites because:

- a. Meetings are conducted as needed.

- b. Permits for minor modifications can be approved through an administrative process by staff. Minor modifications include normal repairs and maintenance, repainting, the addition or removal of awnings and other decorative devices, and the application of exterior materials of different type, color, or texture than currently in use.

The historic preservation design guidelines have the potential to increase costs for the rehabilitation or conversion of historic buildings because of the added cost of maintaining the historic character of a structure in the use of materials and construction techniques. The City has mitigated the cost impact by confining the design review process to building exteriors. This leaves property owners with the flexibility to make necessary modifications and use cost-effective construction techniques in the interior of buildings.

d. Analysis of Residential Zoning Standards

The City regulates the type, location, density, and scale of residential development primarily through its Zoning Ordinance. Zoning regulations are designed to protect and promote the health, safety, and general welfare of residents as well as implement the policies of the Marysville General Plan. The Zoning Ordinance also helps preserve the character and integrity of existing neighborhoods.

The City has four residential zones:

- R-1, for single-family structures;
- R-2, for two-family structures;
- R-3, for three- and four-family structures; and
- R-4, for multiple-family structures.

Minimum lot sizes for the City's residential zones are 6,000 square feet for interior lots and 7,000 square feet for corner lots. Permitted building heights range from 35 feet in the R-1 zone to 50 feet (four stories) in the R-4 zone. The City does not regulate lot area per dwelling unit in the R-3 or R-4 zones, so the permitted residential density is based on the General Plan land use standards of up to 24 units per acre (R-3) and 48 units (R-4) per acre.

The City also permits multiple-family residential uses in commercial zones with a use permit. The City imposes height limits of between 35 and 85 feet in its commercial zones and, under certain circumstances, yard requirements. Other than these requirements, there are no development standards (such as lot coverage, floor area ratios, or lot area per dwelling unit) for residential uses in commercial zones that limit the potential density of residential projects in such zones.

Table III-5 summarizes the relevant residential standards for both single-family and multifamily development.

i. Standards Affecting Residential Density

Marysville's developed primarily before the advent of suburban development standards in the 1960s and beyond. Nearly half of the City's housing stock was constructed prior to 1960. As a consequence, the City is laid out primarily in a grid pattern, and residential lots are typically small. The majority of older homes were built with small yards, a high percentage of lot coverage, and limited on-site parking.

Residential Density. The City's traditional development pattern is reflected in its zoning standards. Permitted residential densities range from up to seven dwelling units per acre in the R-1 zone to 48 dwelling units per acre in the R-4 zone.

Yards and Set-Backs. The City does not restrict lot area per dwelling unit for multifamily zones. Yard/set-back requirements are modest, in fact lower than typically required for similarly small, built-out communities.

Table III-5: Residential Development Standards

Zoning Standards	Zoning Districts								
	R-1	R-2	R-3	R-4	C-1	C-2	C-3	CH	PD
Max. Density (du/ac) per GP	12	12	24	48	No Limit	No Limit	No Limit	No Limit	48
Min. Interior Lot Size (sq. ft.)	6,000	6,000	6,000	6,000	No Limit	No Limit	No Limit	No Limit	No Limit
Min. Corner Lot Size (sq. ft.)	7,000	7,000	7,000	7,000	No Limit	No Limit	No Limit	No Limit	No Limit
Minimum Lot Width (ft.)	60/70	60/70	60/70	60/70	None	None	None	None	80
Min. Lot Area/Unit (sq. ft.)	6000/7000	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit	No Limit
Front Yard (ft.)	20	20	20	20	5 ft. ²	None ²	None	5 ft. ²	20 ft.
Side Yard (ft.)	5 (15 corner)	5 (15 corner)	5 (15 corner)	5 (15 corner)	None ³	None ³	None ³	None ³	12 ft.
Rear Yard (ft.)	15	15	15	15	None ⁴	None ⁴	None ⁴	None ⁴	20 ft.
Building Coverage (%)	40	50	50	60	No Limit	No Limit	No Limit	No Limit	No Limit
Max. Bldg. Height (ft.)	35	35	40	50	35	85	85	85	35
Parking (spaces/unit)	2	2	1.5 ⁶	1.5 ⁶	Footnote 7	Footnote 7	Footnote 7	Footnote 7	Footnote 7
Housing Types Permitted									
Single-Family	P	P	P	P	U	U	U	U	U
Two-Family	X	P	P	P	U	U	U	U	U
Three/Four-Family Dwelling	X	X	P	P	U	U	U	U	U
Multiple Family/Apt. House	X	X	P	P	U	U	U	U	U
Apartment Hotel	X	X	X	X	X	P	P	U	U
Condominiums	X	X	X	P	U	U	U	U	U
Second Units	P	P	P	P	X	X	X	X	U
Community Care (up to 6) ¹	P	P	P	P	U	U	U	P	P
Community Care (7+) ¹	U	U	P	P	U	U	U	P	P
Institutional Group Care	X	X	X	U	X	U	U	U	U
Mobile Home on Foundation	P	P	P	P	P	U	U	U	U
Mobile Home Parks	P	P	P	P	U	U	U	U	U
Farmworker Housing	*	*	*	*	*	*	*	*	*
Transitional Housing	*	*	*	*	*	*	*	*	*
Emergency Shelter	*	*	*	*	*	*	*	*	*
Boarding House	X	X	U	U	X	X	X	X	U

Source: Marysville Zoning Ordinance

Notes:

P = permitted U = permitted with a use permit X = not permitted * = not defined in the Zoning Ordinance

¹Including group care facilities and residential care homes in commercial zones

²15-foot front yard set-back required within 25 feet of a residential zone

³5-foot side yard required if adjacent to a residential zone; required side yard on corner lot same as front yard requirement

⁴12-foot rear yard required if accessible to a street, alley, or parking lot; 5-foot rear yard required if adjacent to a residential zone

⁵3-foot setback required for each ten feet of height over 35 feet, up to 15 feet maximum

⁶Or 1 space per 600 square feet of gross floor area per dwelling unit, whichever is greater

⁷Depending on intensity and type of residential use

Lot Size. The minimum lot size for all residential zones is 6,000 square feet (7,000 square feet for corner lots). The minimum lot size provides a reasonable standard for facilitating a variety of housing types and sizes. Smaller lots of record that do not meet minimum lot area or width requirements may be developed if created before the present zoning standards for lot size were adopted by the City.

Although Marysville's zoning standards do not constrain the City's ability to accommodate its housing needs, the size and configuration of most remaining vacant lots create challenges to achieving maximum development potential. The City has used the exceptions process for recorded lots and its variance procedure to permit at least one residential unit on every lot of record. For further analysis of the constraints imposed by the City's small, infill lots, please see the section on vacant land inventory.

Building Coverage. The City imposes a reasonable, but not excessive, upper limits on building coverage. In the R-3 and R-4 zones, between 50 percent and 60 percent of a lot may be occupied by main buildings. The building coverage limit does not include enclosed parking or other accessory structures, unless part of the main building. Therefore, building coverage requirements do not impose a constraint on residential development.

Building Height. The City's height limits do not constrain a property owner's ability to achieve the maximum densities allowed under the City's General Plan because the zoning standards allow between 35 and 50 feet in height. In the R-1 and R-2 zones, buildings may be 2.5 stories. In the R-3 and R-4 zones, buildings may be three to four stories.

Allowances for Persons with Disabilities. The City permits certain projections and structures within yard and set-back areas. Among the allowance are facilities for access to residential structures by persons with disabilities. For example, ramps or lifts for handicapped accessibility are permitted within yard and set-back areas. Such requests are approved administratively unless the nature of the request triggers major design review in the Historic Preservation Overlay Zoning District (see discussion of design review process below).

Occupancy Standards. The City does not regulate occupancy of residential units or distinguish between related and unrelated individuals as a permitted residential use. However, Chapter 18.04 of the City's Zoning Ordinance, Definitions, defines "family" as "not more than four unrelated persons living together, sharing a nonprofit single dwelling unit and common housekeeping facilities" (section 18.04.180). This definition of "family" could indirectly have significance for the regulation of occupancy because permitted uses in residential zones are listed as "single-family," "two-family," and "multiple family." To clarify this potential limitation on occupancy of residential units by more than four unrelated individuals, the City could amend section 16.04.180 to eliminate the reference to "not more than four" unrelated individuals.

Siting of Community Care Facilities, Group Homes, and Other Group Care Housing. The City permits community care facilities and other special needs housing in all residential and commercial zones. The City's definition of community care facilities includes a wide range of non-medical shelter facilities with supportive services for children, adults, families, and persons with disabilities. Examples include family homes, group care homes, day care centers for children or adults, foster care homes, and community centers and private clubs in which care is provided. Facilities of six or fewer persons are allowed by right in all residential zones, the C-3 and C-H zones, and by use permit in all other zones. Facilities of seven or more persons are allowed by right in the R-3, R-4, C-3, and C-H zones and by use permit in all other zones. Although not listed in Table III-5, the City also allows community care and group home facilities with a use permit in its manufacturing zones. Uses

permitted by right (that is, uses not needing a use permit) may also include supportive services by right that are associated with the principal residential use.

The use permit process does not require a lengthy approval process, and conditions imposed on group care facilities are reasonably related to impacts of use, not the residents of these facilities. The use permit process balances the need for reasonable regulation of group care facilities and flexibility in their location. The use permit process is discussed later in this section.

Neither the General Plan nor the Zoning Ordinance regulates the siting or location of group care facilities based on proximity to other such facilities.

Cumulative Zoning. The Marysville General Plan and Zoning Ordinance are cumulative in that lower-density residential uses are permitted in higher density land use/zoning districts. The relationship between the General Plan residential land use categories and the City's Zoning Ordinance creates a potential constraint to multiple family residential developments. While the allowance for lower-density residential uses makes sense on small infill parcels that can accommodate four or fewer dwelling units, the cumulative nature of the City's General Plan and zoning categories could act as a constraint should future opportunities arise for larger multiple family development, either through the redevelopment of existing R-3 and R-4 lots or through the development of the North Marysville Specific Plan area.

The constraint could occur because property owners are not limited to developing R-3 and R-4 properties with multiple family residential uses. This constraint can be mitigated by requiring a use permit for single-family and two-family dwellings in R-3 and R-4 zones with the condition that a use permit only be issued when a property owner can demonstrate that the development of multiple family dwellings is not feasible due to physical conditions of the property.

ii. Parking Standards

Parking Ratios. The City's parking requirements for residential districts vary by housing type and, in the case of the multiple-family housing, unit size. Parking standards for residential uses are the same regardless of occupancy (that is, regardless of whether a dwelling unit is used as a group home or community care facility). Two spaces are required per dwelling unit in the R-1 and R-2 zones, while 1.5 spaces are required in the R-3 and R-4 zones, or one space per 600 square feet of unit space, whichever is greater. Rooming or boarding houses must provide one parking space per two occupants.

Institutional facilities have different parking standards than dwelling units, however. Institutional uses must provide one parking space for every three occupants, while uses such as nursing homes and convalescent hospital must provide one parking space for every four licensed beds. These parking requirements do not appear to constrain the location of institutional uses in Marysville based on the number of uses currently operating in the City.

The City's parking ratios are reasonable in relation to the likely demand for parking from different residential uses. These ratios do not act as a constraint to achieving residential densities otherwise permitted by the City's zoning standards, except, potentially, on some small, infill lots (see vacant land inventory for further discussion of constraints imposed by such lots). The maximum parking required for most multiple-family dwelling units is two or fewer spaces since most multiple-family dwellings contain 1,200 square feet or less.

Location of Parking. Parking must be provided within the buildable portion of lot, that is, outside the yard/set-back areas. However, up to two of the required parking spaces may be provided in the front yard on the driveway of a property. This allowance for two parking spaces in the front yard serves to mitigate the potential constraint of the required location of parking for small, infill lots.

Parking Improvement Standards. Parking may be covered or uncovered. The City's improvement standards do not add significant cost the development of housing because parking may be uncovered.

Parking Reductions. The Zoning Ordinance does not provide specific exceptions for reduced parking or allow reduced parking for housing in commercial areas. The City has granted variances from parking requirements for small lots, housing proposals in the downtown area, and special needs housing (such as senior housing) when an applicant can show a reduced parking need. Because the City's parking requirements are relatively low, the use of the variance procedure appears to be adequate to mitigate the potential constraint of required parking.

iii. Allowance for Housing and Shelter Alternatives

Housing element law specifies that jurisdictions must identify adequate sites through appropriate zoning and development standards to encourage the development of various types of housing for all economic segments of the population. This includes single-family housing, multiple-family housing, manufactured housing, mobile homes, emergency shelters, and transitional housing, among others. While the City permits alternative forms of housing in most zones, there are several types of housing (as noted below) that are not listed or defined in the Zoning Ordinance.

Secondary Living Units: A secondary living unit (or second unit) is a separate dwelling unit that provides complete, independent living facilities for one or more persons. Marysville permits attached second units in R-1 zones by right subject to compliance with zoning and parking standards. Second units are automatically permitted in R-2, R-3 and R-4, and as two-family dwellings.

Detached second units are not permitted. This requirement could constrain the conversion of accessory buildings to detached second units. The City requires one parking space for each second unit, which could be a constraining factor on small lots. However, the City permits parking to be uncovered and does allow up to two parking spaces in the front yard set-back if on a driveway. These flexible provisions for parking should off-set the potential constraint of requiring an additional parking space on a small lot.

Mobile/Manufactured Homes: Mobile homes or manufactured housing offer an affordable housing option to many low- and moderate-income households, and are permitted in the R-1 zone and permanent foundations. Only those factory-built homes constructed to the standards of the National Mobile Home Construction and Safety Standards Act of 1974 qualify for placement on foundations. The City imposes the same standards on mobile homes as site-built homes with regard to set-backs, placement, yards, parking, and other zoning requirements. The City additionally requires that mobile homes contain non-metallic siding, be at least 20 feet wide, have roof overhangs of at least one foot, have roofing material customarily used for site-built homes, and have maximum finish floors no more than 25 inches above grade. These standards do not impose a constraint on the placement of mobile homes or unreasonable cost burdens on mobile home owners, since new factory-built homes normally comply with the City's requirements with little or no modification.

The City's historic practice has been to allow the placement of mobile homes or manufactured housing on permanent foundations in any zone that permits single-family homes. Chapter 18.88 of the Zoning Ordinance, which regulates the placement of manufactured housing, only refers to such

housing with respect to the R-1 zone. A minor change to Chapter 18.88 could clarify any confusion regarding whether manufactured homes may be placed on permanent foundations in other zones on small lots that can only accommodate one dwelling unit.

Mobile Home Parks. The City's historic practice has been to interpret the Zoning Ordinance to permit mobile home parks wherever mobile homes on permanent foundations are allowed. The Zoning Ordinance does not specifically list mobile home parks as a permitted use in any zone, however. A minor change to the Zoning Ordinance could clarify the status of mobile home parks.

Other Housing Types. The Zoning Ordinance does not define farmworker housing, transitional housing, or emergency shelters in Chapter 18.04, or list these types of shelter as permitted use in any zone. The Zoning Ordinance does define "rescue missions," which are permitted in specified commercial and industrial zones and have historically provided overnight shelter for homeless individuals. Marysville's Zoning Ordinance also has a provision for PD Planned Development Districts which allow any use or combination of uses subject to an approved development plan (see the following section below on Flexibility in Development Standards).

The lack of specific definitions in the City's Zoning Ordinance for these types of special needs housing has not prevented housing providers from locating homeless shelters, supportive services, groups homes, and farmworker housing from locating in Marysville, as described in Chapter II, Special Housing Needs.

The Planning Commission can make a determination that a proposed use is substantially similar to a listed, permitted use. However, the lack of specificity in the Zoning Ordinance could pose a constraint to the provision of these housing and shelter alternatives. The City could mitigate this potential constraint by defining and listing these uses as permitted in appropriate zones and establishing appropriate permit procedures and criteria for review that facilitate the location of such housing and shelter alternatives.

Renting of Rooms. As noted in Table III-5, the City permits the renting of rooms and provision of board. The renting of rooms or the provision of board for up to four persons is permitted in any residential zone as an accessory use. Boarding houses as a primary use of land that involve the provision of board for profit for three or more persons are allowed with a use permit in the R-3 and R-4 zones.

iv. Allowances for Persons with Disabilities

As described above, the City provides a wide range of options for the location of community care facilities, group homes, and institutional care facilities. Community care facilities and group homes are permitted in all residential zones, while institutional care facilities are permitted in commercial and manufacturing zones.

v. Agricultural Zoning

The City of Marysville has an agricultural combining district that is used on a limited basis, typically in conjunction with residential zoning. The purpose of this district is to allow small-scale animal husbandry, livestock farming, and the sale of agricultural products produced on site. This combining of zones was created at a time in the City's history when there was significant undeveloped land. With only two vacant properties in the City of one acre or more that do not have approved development applications (see Table III-1), it is unlikely that any significant agricultural activities of

the type that require seasonal farm labor will take place within the current city limits and generate a need for farm labor housing.

vi. Flexibility in Development Standards

The Zoning Ordinance contains a provision for planned developments, generally on five acres or more. The City has approved PD zones on less than five acres, a recent example of which is an 18-unit town house project on 1.15 acres approved in 2002.

Any land use is permitted in a PD zone subject to the approval of a use permit. If the planned development will create individual parcels within the development, the minimum lot size is 10,000 square feet. The PD district allows buildings of up to 35 feet (2.5 stories). Parking requirements are based on the proposed uses and are generally the same as required for uses in the underlying zone. Yard and set-back requirements are similar to those for residential zones.

The PD district provides developers with an opportunity to create projects that vary from the strict application of the City's zoning standards, are creative, and better meet the development needs of the City. The minimum size requirement of five acres means that planned developments are a limited option within the current City limits. The height limit of 35 feet further restricts the feasibility of using planned developments for high-density multifamily housing that could be affordable to low- and moderate-income households.

vii. Nonconforming Uses

The City allows residential property owners to continue nonconforming residential uses and to make needed repairs or alterations to maintain the residential uses. Needed repairs or alterations include building modifications needed for accessibility by persons with disabilities. Nonconforming residential uses may also be expanded or reconstructed so long as the modifications do not increase the existing nonconformity or cause a conforming aspect of a use to become nonconforming to zoning standards. As noted previously, modifications to buildings or the construction of structures such as access ramps needed for accessibility by persons with disabilities is not considered by the City to be an increase in nonconformity or the creation of a new nonconformity.

viii. Exceptions and Variances

The City frequently approves exceptions or variances to its zoning standards because the strict application of City standards would render many infill and re-use projects infeasible. Recent examples of exceptions or variances granted by the City in 2002 and 2003 are:

- Reduction in minimum lot width requirements for a 17-lot single-family subdivision.
- Reduction in set-back, rear and side yard, and parking lot landscaping requirements for an 18-unit townhouse project.
- Reduction in off-street parking requirement for the conversion of a historic building to 16 residential units in the downtown area.

ix. Other Zoning Issues

The City allows several non-residential uses in the R-3 and R-4 zones. In addition to religious organizations, public facilities, parks, and private clubs, which are customarily permitted in residential zones, the zoning ordinance allows stables, professional offices, hotels and motels, mortuaries, medical and dental clinics, and other nonresidential uses that are customarily restricted in residential, agricultural or commercial zones in most communities. The allowance for a wide range of nonresidential uses in the R-3 and R-4 zone could constrain to the City's ability to accommodate its low- and moderate-income housing needs by encouraging the limited supply of residential land to be developed for nonresidential uses. This constraint could be eliminated by reducing the types of nonresidential uses permitted in the R-3 and R-4 zones.

e. Off-Site Improvement Standards

Site improvements are an important component of new development and include roads, water, sewer, and other infrastructure necessary to serve the new development. Improvement requirements are regulated by the City's subdivision ordinance. Within the existing City limits, off-site improvement requirements are typically limited because the infrastructure needed to serve infill development is already in place. Where off-site improvements are required, they typically relate to local improvements to existing facilities to accommodate higher density development or to repair or replace aged infrastructure.

i. Street Improvements

Requirements typically having the greatest impact on housing cost are street improvement standards. The cost of providing streets for new residential developments, in turn, is primarily influenced by the required right-of-way width, pavement width, and pavement improvement standards.

Table III-6 summarizes that City's right-of-way and pavement requirements for the hierarchy of streets. The right-of-way and pavement requirements allow for slightly narrower streets in residential areas than in many communities. Minimum pavement widths of 50 feet or more for secondary streets and 40 or more feet for minor streets are more common among local jurisdictions. The City does not require alleys for new residential development, but does permit alleys according to the minimum improvement standards in the Subdivision Ordinance.

Required street improvements include curbs, gutters, and sidewalks of at least four feet in width. The minimum sidewalk improvement standard is consistent with accessibility requirements for persons with disabilities and is not excessive in light of the need for ensuring minimum pedestrian access in residential areas. Planting strips may be required for secondary or major streets, but are not required for minor streets that serve the immediate neighborhood only.

Table III-6: Marysville Street Standards

Street Type	Required Right-of-Way	Required Pavement Width
Major Streets/Highways	74 feet	62 feet
Secondary Streets	60 feet	42 feet
Minor Streets	52 feet	36 feet
Alleys	40 feet	28 feet

Source: Marysville Subdivision Ordinance, section 17.28.030

ii. Drainage Requirements

The City requires developers to pay the entire cost of all on-site storm drainage, up to a 24 inch diameter drainage line, plus catch basins and other on-site drainage facilities that may be needed. The City also requires developers to pay a pro-rata share of the cost of area-wide drainage facilities. Within the existing City limits, there are no drainage impact fees (see next section on Permit and Development Impact Fees).

iii. Sanitary Sewers

Marysville requires developers to install sanitary sewer lines that connect to the City's sewer system. Septic tanks and other on-site sanitary systems are not allowed except in cases of physical or economic hardship. Developers may also be required to pay a pro-rata share of sewer trunk lines or improvements to existing lines serving a larger area.

iv. Water Lines

Developers are required to install water mains and fire hydrants according to a plan approved by the City Engineer and Fire Chief. Developers may also be required to pay for a pro-rata share of water trunk lines or improvements to existing lines serving a larger area.

f. Permit and Impact Fees

Requiring developers to construct site improvements and/or pay pro-rata shares toward the provision of infrastructure, public services, and school facilities will increase the cost of developing homes and the final sales price or rent of housing. However, payment of fees is necessary to maintain an adequate level of services and facilities, and more importantly, to protect public healthy, safety, and welfare. Based on a review of fees in neighboring jurisdictions and discussions with local developers, development fees in Marysville are very reasonable, and in many cases lower than, most other cities in the region.

The City of Marysville collects development fees to cover the costs of providing the necessary services and infrastructure related to new development. The school district collects additional fees to pay for facilities. The City requires pro-rata payments for off-site extension of the water, sewer and storm drain systems. It requires the developer to construct all internal streets, sidewalks, curb, gutter, affected portions of off-street arterials, and other standard conditions. New residential construction will either occur as infill on scattered lots throughout the central part of the City, or in outlying areas (North Marysville Specific Plan area), where infrastructure and/or adequate public services and facilities may be necessary.

Table III-7 identifies the typical development fees for single-family and multifamily housing. Note that impact fees for schools are set by the State and School District. Excluding building permit and inspection fees, total fees for a small, single family home total less than \$6,000, including a state mandated school fee of \$2,568 (equivalent to 43% of the entire fee) or about eight percent of the construction cost (excluding land, land preparation, and other development costs) of a new home. The total fees for a small multifamily unit is about \$3,600, including a state-mandated \$1,284 school fee (equivalent to 36% of the entire fee) or ten percent of the construction cost. The City does not charge any other planning or development impact fees. These fees are very low compared to most other cities in the Sacramento region and do not represent a significant financial constraint to new housing development.

Permit and development impact fees for new homes in the North Marysville Specific Plan area is expected to be higher than within the existing city limits because basic infrastructure and public facilities must be extended to this area. However, an infrastructure/public services financing plan has not been prepared for the North Marysville area, so the impact of infrastructure and public services costs on housing costs in the Specific Plan area cannot be determine at this time.

**Table III-7: Planning and Development Fees (per unit)
(Within Current City Limits)**

Single Family Home ¹	
Permit, Plan Review & Inspection (Planning, Public Works, and Fire Dept.)	\$1,693
School Impact Fee	\$2568.00 (\$2.14 per sq ft)
City Sewer Connection Fee and Encroachment Fee	\$1,700
California Water Service Company Connection Fee	None ⁵
Total Fees	\$5,961
Multi-Family Apartment (per unit) ²	
Permit, Plan Review & Inspection (Planning, Public Works, and Fire Dept.)	\$1,129
School Impact Fee	\$1,284 (\$2.15 per sq ft)
City Sewer Connection Fee and Encroachment Fee	\$1,200
California Water Service Company Fee	None ⁵
Total Fees	\$3,613

Sources: City of Marysville, Marysville Unified School District, California Water Service Company

¹Based on a single-family home subdivision with 1,200 sq. ft. homes at \$58.56 construction value per sq. ft.

²Based on a rental apartment project with 600 sq. ft. units at \$59 construction value per sq. ft.

³Based on a 100-unit single-family home subdivision

⁴Based on a 100-unit multifamily rental housing development

⁵There is no connection fee for parcels within the current City limits served by a CWS trunk line

g. Development Permit Procedures

i. Project Approval Timeframes

Development review and permit processing are necessary steps to ensure that residential construction proceeds in an orderly manner. However, the time and cost of permit processing and review can be a constraint to housing development if they place an undue burden on the developer.

The permitting and review process for residential projects in Marysville includes an optional pre-application review meeting, submittal of the application, a review for completeness by Planning Department staff, review by the Design Review Board (subcommittee of the Historic Preservation Commission - PHPC) and other City agencies, and review and approval by the Planning Commission and, if necessary, the City Council. However, the time necessary for review depends on the complexity of the project and whether an exception from development standards, existing land use, or operating conditions is requested. As an example, the time period necessary for environmental review may vary substantially depending whether an environmental impact report (EIR) a negative declaration is required or the project is exempt from environmental review. For those projects that involve multiple requests, all the applications are processed concurrently whenever possible.

Because most residential development projects in Marysville are relatively small, one to 20 units, and located on vacant infill parcels or sites being re-used, the permit review process is much less complex than in communities in which residential development occurs primarily through large, master planned or specific planned developments. Few residential projects require an EIR, which greatly reduces the total time required for project approval. In most cases, these projects are exempt from any environmental review. Most residential projects can be approved in as little as 30 days (for a single lot development) to as much as six months (for a single-family subdivision involving a tentative and final map). Therefore, the timeframes for review and approval of residential applications do not constitute a significant constraint. Between 30 and 60 days of the time required to approve more complex projects is due to Planning Commission review and approval.

Examples of the typical time from submittal of a complete application to final planning approvals are summarized below based on three residential developments approved by the City within the past 12 months. These three projects represent the typical range of zoning, subdivision, design review, public works, and other approvals necessary for infill or re-use projects in the City. Table III-8 summarizes typical timeframes for various planning approvals.

221 – 227 Third Street. This application was for the approval of 16 residential units to be created from the conversion of a historic building used most recently for commercial purposes. Required approvals included a use permit (for residential in a commercial zone), design review for the design of the building and a variance from the City's parking requirements. A complete application was filed on February 25, 2002, and the project was approved by the Commission on March 27, 2002 for a project review and approval period of 30 days.

Ellis Lake Drive. The application was for the approval of 18 townhouses on 1.15 acres in a planned development area. Required approvals included a use permit (for the planned development), a variance from residential set-back and yard requirements. A complete application was filed on July 25, 2002 and the project was approved by the Commission on August 29, 2002 for a project review period of 35 days.

East 22nd Street and Cheim Boulevard. The application was for the approval of a 17-lot single-family subdivision on 3.21 acres. Required approvals included a tentative and final subdivision map and an exception to the minimum lot-width requirement in the R-1 zone. A complete application was filed on June 18, 2002, and the tentative subdivision map was approved by the Commission on August 7, 2002 for a project review period of 50 days.

Table III-8: Development Approval Timeframes

Development Permit/Review Process	Time Frame
Development Plan Review	7 days
Use Permit	30 days
Subdivision Tentative Map	60 days
Zone Change and GP Amendment	120 days
Environmental Review (EIR)	9 Months
Design Review	14 to 45 days
Appeal of Staff to Planning Commission	30 days
Appeal of Planning Commission to City Council	30 days

Source: City of Marysville

ii. Architectural and Design Review

Proposals involving new development or exterior modifications to historic buildings in a redevelopment project area or the historic district overlay zone (which comprise about 34 percent of the city) require design review. Minor modifications of buildings involving work that does not significantly change the character or appearance of a building may be approved through a staff level review. Other projects require review by a sub-committee of the Planning & Historic Preservation Commission (PHPC) that serves as the City's architectural review board.) Most proposals for modifications to existing buildings fall within the definition of minor modifications, including modifications to improve accessibility to persons with disabilities, and are relatively easy and quick to approve. Staff decisions may be appealed to the Commission, and PHPC decisions may be appealed to the City Council.

The general criteria for design review are:

- Compliance with applicable planning policies and zoning standards;
- Compatibility of proposed project design with buildings in the vicinity;
- Consideration of architectural factors such as building height and bulk in relation to nearby buildings, color and materials, site layout and building orientation in relation to open areas, and the appropriateness of signs, exterior lighting, and graphics;
- Compatibility of site improvements, landscaping and other features with other parcels in the vicinity.

The City's design review policies, as stated in the Design Review Manual, focus on the restoration and preservation of the original historic and architectural character of buildings and the compatibility of architectural styles, materials, building massing and articulation, and colors of new buildings to

existing buildings in a neighborhood. The City does not require expensive or time-consuming design or construction techniques in new residential development, nor does the City use the design review process to reduce the allowable number of dwelling units otherwise allowed under the Zoning Ordinance.

Design review policies can add to the cost of rehabilitating and/or converting historic buildings for residential use, due to the City's preference to restore the original design elements of a historic building or use new elements consistent with the original. The City can mitigate this additional cost by providing financial assistance for the preservation of significant buildings that will be used for housing or assisting property owners in obtaining state or federal funds. The City has provided this type of assistance in the past through its façade improvement program, the use of MCDA funds, and the use of state and federal grants for which the City has applied.

The City can also offset the cost by approving exceptions or variances that allow a property owner to construct more dwelling units and/or less parking. The City has done the latter in one recent project by reducing parking requirements for the conversion of a historic building to 16 residential units.

The City design review policies include:

- Uncovering and restoring or matching original façade design details,
- Restoring original design or configuration first-floor storefronts,
- Coordinating the design of new exterior parts or elements of a building with the original,
- Proper repair and maintenance of original brickwork,
- Use of windows and window treatments similar to, or compatible with, the original window design,
- Restoration and maintenance of cornices,
- Selection of colors consistent with the original period/architecture of the building and compatible with surrounding buildings, and
- Restoration or replacement of doors in a style similar to, or compatible with, the original period and architecture of the building.

The design review process that requires PHPC review takes about 30 days. Minor design review by City staff or the ARB can be completed within 14 days. The required Commission review and public hearing occur concurrently with other PHPC reviews. In most cases, developments require only one review by the Commission. Fees to cover the cost of design review are typically less than \$100 per unit for a multi-unit project and do not significantly add to the cost of residential development. Therefore, the City does not consider design review to represent a significant financial or time constraint to the provision of affordable housing.

In two recent examples of residential projects that required design review, a 16-unit conversion approved in March 2002 and an 18-unit townhouse project approved in August 2002, the City required the following:

- submittal of site plan and landscaping plan to show consistency of the building configuration, massing, and articulation with surrounding uses;

- administrative approval of exterior colors, materials, window/door types and treatments, and lighting fixtures; and
- review of fencing design;

iii. Use Permits

Chapter 18.72 regulates the granting of use permits by the City. The City has one process and set of standards for projects that require use permits, including community care facilities of seven or more persons, institutional group homes, and other housing and shelter alternatives that require use permits. The City has not established a separate process for the approval of such uses or separate criteria that are imposed on these uses by not others of a similar nature.

Use permits are approved by the Planning Commission, and may be revocable, conditional, or valid for a specified time period. The Planning Commission conducts a public hearing prior to making a decision on a use permit application. The Planning Commission's decision may be appealed to the City Council. The criteria for approving use permits are non-specific and require:

- consistency with the objectives of the Zoning Ordinance and the purpose of the district in which a use is located,
- compliance with the zoning standards of the district in which a proposed use will be located, and
- finding that the proposed use will not be detrimental to the health, safety, morals, comfort, and general welfare of persons residing or working in the neighborhood of the proposed use or be detrimental or injurious to property and improvements.

The City's use permit process, while typical of many communities, does not specify the conditions under which a particular use may be permitted. A review of the City's implementation of the use permit process suggests that conditions imposed on applicants reflect compliance with zoning standards, hours of operation, creation of noise or other off-site impacts, site access, signage, transportation of clients, and other off-site issues. The lack of specificity creates the potential for inconsistent or arbitrary decisions, which could be reduced through specific criteria in the Zoning Ordinance.

iv. Process for Requesting Reasonable Accommodations

The City has established a process whereby individuals with disabilities may request reasonable accommodations for compliance with zoning, subdivision, and building standards. Through the City's customary application process, a person with disabilities may request a use permit (described above), a permit to continue or expand a nonconforming residential use, or a permit to construct accessibility improvements within a yard or set-back area. The City publishes information on its permit procedures in the form of brochures that are available at the permit counter at City Hall. Knowledgeable City staff are available at the permit counter to answer questions about procedures for special accommodations under the City's Zoning Ordinance.

h. Building Codes and Enforcement

The City of Marysville has adopted the Uniform Building Code (UBC), which establishes standards and requires inspections at various stages of construction to ensure code compliance. Although these

standards and the time required for inspections increase housing production costs and may impact the viability of rehabilitation of older properties that are required to be brought up to current code standards, the intent of the codes is to provide structurally sound, safe, and energy-efficient housing. The City has not adopted amendments to the Code that could affect the ability of persons with disabilities to make accessibility modifications

The City's Building Department is responsible for enforcing both State and City regulations governing maintenance of all buildings and property. Most code enforcement complaints affecting housing are related to the City's older housing stock located primarily in one of the City's redevelopment project areas. To assist homeowners with housing condition problems, City code enforcement officials offer information to residents and property owners about Marysville's housing rehabilitation program.

The City recognizes the unique needs of persons with disabilities and seeks to accommodate those needs through its approach to code enforcement. The greatest challenge to achieving this balance is for the restoration or conversion of historic buildings. By their nature, older buildings were not constructed for accessibility to persons with disabilities or for use as group homes with supportive services. Building modifications and upgrades over the years often made these buildings less accessible or suited to the needs of persons with disabilities.

The City allows property owners great latitude in making interior modifications to historic buildings to increase their accessibility and utility for persons with disabilities. In its approach to design review, the City also allows property owners to make exterior modifications to increase accessibility.

i. Environmental, Infrastructure and Public Service Constraints

Environmental factors and a lack of necessary infrastructure or public services can constrain residential development in a community by increasing costs and reducing the amount of land suitable for housing construction. This section summarizes and analyzes the most pertinent constraints to housing in Marysville. Within the current City limits, environmental, infrastructure, and public services are not constraining factors to accommodating the City's regional allocation under the SACOG Regional Housing Needs Plan. Although older facilities need regular maintenance and upgrading, the cost of maintenance and upgrades are paid for through user fees, impact fees, and pro-rata contributions by developers. The City's water and sewer processing and distribution facilities are adequate to accommodate 170 additional dwelling units within the current City limits.

Of greater future significance than environmental and infrastructure issues within the current City limits, are the potential challenges of accommodating residential development in the North Marysville Specific Plan area, which presently has no City services. Although residential development in the Specific Plan area is not needed for the City to accommodate its share of regional housing needs through 2007 under the SACOG Regional Housing Needs Plan, the City may need to begin planning for eventual residential development outside the present city limits to accommodate future housing needs after 2007.

This section of the Housing Element briefly discusses relevant environmental, infrastructure, and public service issues based on information contained in the North Marysville Specific Plan Environmental Setting & Constraints Investigation Report, June 1991. The nature of these issues has not changed significantly since 1991.

i. Agriculture

All of the land within the Specific Plan area is suitable for one or more agricultural activities and much of the land qualified as "Prime Agricultural Land" under the U.S. Soil Conservation Services guidelines. However, there are no long-term agricultural preservation contracts or other regulatory restrictions that would impede the development of 170 dwelling units between 2003 and 2008. The area most likely to be developed between 2003 and 2008, Area A (see Figure III-2), is presently divided into rural estate lots that can easily be further divided for residential development.

ii. Protection of Endangered Species

Within the Specific Plan area are Jack Slough, irrigation canals, and two small wetlands areas associated with Jack Slough that provide habitat for several plant and animal species. The Specific Plan provides for the protection of wetland and riparian habitats associated with these areas. The acreage to be set-aside for habitat protection will not significantly impact the City's ability to meet future housing needs through at least 2008 because none of the areas to be protected are in sub-area A.

iii. Drainage and Flood Control

The City of Marysville is located at the confluence of the Yuba and Feather rivers and is entirely surrounded by a series of levees that provides 500-year flood protection. Within the existing City limits, storm water run-off drains into three retention areas: detention basins located at 2nd and F streets and 17th and Hall streets, and a series of connected lakes, East Lake, Ellis Lake, and North Ellis Lake. The City's existing community-wide drainage and flood control system is sufficient to accommodate future development and redevelopment within the current city limits. Property owners must provide on-site drainage improvements and contribute a pro-rata share of the cost of off-site drainage if required by the proposed projects.

Within the Specific Plan area, drainage and flood control improvements must be provided before development can occur. Drainage improvements for Area A will be least extensive and can be most feasibly accomplished within the 2003 – 2008 time period. An existing levee along the Union Pacific Railroad line east of Highway 70 provides 100-year or greater flood protection. Local flood protection can be increased to allow development in Area A through the construction of a small detention basin, which can easily be funded by development without significantly affecting housing costs.

Development could also occur in Area C through the extension of the current levee system along Highway 20 and the construction of local retention basins and other flood control systems. The cost for flood control in Area C will be significantly greater than in Area A and may constrain development of this area within the 2003 – 2008 period.

Area B has less potential for development because of the need to carry flood waters from areas A and C and the need to maintain wetland and riparian habitat.

iv. Water Service

Water service is provided by the California Water Service Company (CWS) through thirteen wells. These wells have a capacity to deliver nearly 10,000 gallons of water per minute with a storage capacity of 250,000 gallons, which is sufficient to accommodate daily water demand of approximately 6.5 million gallons. Within the current City limits, CWS, has adequate pumping, delivery and storage capacity to serve existing users and projected demand from increases residential and commercial demand. The City's current water system does not have sufficient pumping, storage, or delivery capacity to serve new development outside the present city limits, which could constrain the City's ability to accommodate its future housing needs in the North Marysville Specific Plan area.

Domestic water service within the Specific Plan area is provided by private wells, with the exception with Saddleback Estates, which has a community water system. Projected residential development within the Specific Plan area will require expansion of the existing community water system or construction of a new system by the developer, CWS, or the City.

v. Sewer Service

Within the current city limits, wastewater treatment is provided by a secondary system with capacity of between 1.7 and 3.5 million gallons per day. These capacities are sufficient to handle average daily and dry weather flows with excess capacity to accommodate the City's future housing needs between 2003 and 2008. Occasionally, wet weather demand exceeds the maximum treatment capacity, but not with enough frequency to pose a constraints to future residential development. Developers must contribute a pro-rata share of the improvement or replacement cost of trunk lines serving proposed projects. The City charges a connection fee to pay for such upgrades.

The Specific Plan area has no public wastewater treatment system. The City's current wastewater collection and treatment system would need to be expanded to accommodate significant development within the Specific Plan area. Wastewater treatment capacity would need to be doubled to accommodate ultimate development under the Specific Plan.

The City prepared a wastewater treatment master plan in 1991 that identified options for expanding the City's existing treatment plant or constructing a new treatment plant serving the Specific Plan area. The study determined that the City's existing wastewater treatment plant could be modified and expanded, and pump stations, lift stations, force mains, and gravity lines installed, to serve Area A of the Specific Plan. These improvements can be readily installed during the 2003 – 2008 time period to allow residential development to occur. Property owners will need to pay the cost of these improvements.

2. Non-Governmental Constraints

a. Availability of Financing

The availability of financing affects a person's ability to purchase or improve a home. Under the Home Mortgage Disclosure Act (HMDA), lending institutions are required to disclose information on the disposition of loan applications by the income, gender, and race/ethnicity of the applicants. This applies to all loan applications for home purchases and improvements, whether financed at market rate or with government assistance.

Tables III-9 and III-10 summarize the disposition of loan applications submitted to financial institutions for home purchase and home improvement loans within the City of Marysville. Included is the percentage of loans that are “approved” and “denied” by applicants of different income levels. The status of “other” loans indicates loan applications that were neither approved nor denied, but were not accepted by the applicant, or those applications that were withdrawn by the applicant.

i. Home Purchase Loans

In 2001, 336 households applied for conventional loans to purchase homes in Marysville. About 54 percent of the loan applicants were above moderate-income (120% or more of County median family income or MFI) households. Moderate-income (81 to 120% of MFI) and lower-income (<80% of MFI) households accounted for 27 percent and 15 percent of loan applicants, respectively. The overall loan approval rate was 70 percent. As expected, the approval rates for home purchase loans increased with household income. The approval rate was 58 percent for lower-income households, 71 percent for moderate-income households and 75 percent for above moderate-income households.

During the same period, 110 applications were submitted for the purchase of homes in Marysville through government-backed loans (e.g. FHA, VA). To be eligible for such loans, residents must meet the established income standards. The overall loan approval rate was 85 percent. Of the three income groups, lower-income households had the highest approval rate at 91 percent, followed by moderate-income households (87%).

Table III-9: Disposition of Home Purchase Loans

Applicant Income	Conventional Loans				Government-Backed Loans			
	Total	Approved	Denied	Other	Total	Approved	Denied	Other
Lower	52	58%	31%	12%	33	91%	6%	3%
Moderate	91	71%	24%	4%	39	87%	10%	3%
Above Moderate	182	75%	17%	8%	38	79%	16%	5%
N.A.*	11	45%	55%	0%	0	0%	0%	0%
Total	336	70%	22%	7%	110	85%	11%	4%

Source: Home Mortgage Disclosure Act (HMDA) data, 2001.

* N.A. Loan applicants who chose not to disclose their income.

ii. Home Improvement Loans

During 2001, 94 Marysville households applied for home improvement loans. All but one of these applications was for conventional loans. The overall approval rate was 46 percent, well below the rate for conventional home purchase loans (70%). Above moderate-income households accounted for the largest share of loan applicants (55%), followed by moderate-income (22%) and lower-income households (17%). Among the three income groups, above moderate-income households had the highest approval rate at 53 percent, while lower-income households had the lowest rate at 31 percent.

Table III-10: Disposition of Home Improvement Loans

Applicant Income	Conventional Loans			
	Total	Approv	Denied	Other
Lower	16	31%	56%	13%
Moderate	20	45%	40%	15%
Above Moderate	51	53%	27%	20%
N.A.*	6	33%	50%	17%
Total	93	46%	37%	17%

Source: Home Mortgage Disclosure Act (HMDA) data, 2001.

* N.A. Loan applicants who chose not to disclose their income.

To address potential private market lending constraints and expand homeownership and home improvement opportunities, the City of Marysville offers and/or participates in a variety of home buyer and rehabilitation assistance programs. Such programs assist lower- and moderate-income residents by increasing access to favorable loan terms to purchase or improve their homes. Section IV of the Housing Element provides more detailed information on the type and extent of programs available.

b. Cost of Land

A key factor determining housing cost is the price of raw land and any necessary improvements. The price of residential land in Marysville is directly affected by the City's inability to expand geographically. A review of property listings on Realtors.com (January 2003) indicates that residential land costs in the Marysville area (zip code 95901) vary by location and site characteristics, but are generally less than \$1.50 per square foot, or less than \$65,350 per acre, or approximately \$11,000 per lot for a 6,000 square foot lot¹¹. Larger parcels in rural areas sell for less than \$1 per square foot, while smaller parcels in more developed areas sell for between \$1.07 and \$1.55 per square foot. There were a total of 17 listings. Land write-downs can be used by redevelopment agencies to support the development of affordable housing in exchange for affordability controls.

c. Construction Cost

i. Single-Family Homes

Many factors can affect the cost of building a single-family house, including the type of construction, custom versus tract development, materials, site conditions, finishing details, amenities, square footage, and structural configuration. These factors create a wide variation in construction costs, from as little as \$75 per square foot for basic construction to as much as \$125 for high-quality custom construction. A basic, 1,200 square foot starter home could be constructed in Marysville for as little as \$100,000. Including land cost of about \$11,000 per lot, permit and development impact fees of nearly \$6,000, site preparation, and other miscellaneous costs, the minimum cost of producing a 1,200 square foot single-family home in Marysville is estimated to be between \$130,000 and \$140,000.

¹¹ The zip code 95901 includes all of Marysville incorporated boundaries and a portion of the Linda area, located o the south of Marysville.

Table III-11 compares construction costs for a 1,200 square foot home, a 1,700 square foot home, and a 2,000 square foot home.

Table III-11: Construction Costs in Marysville (Single-Family Home)

	Basic Construction		Average Construction		High Quality Construction	
	Tract Home	Custom Home	Tract Home	Custom Home	Tract Home	Custom Home
Cost/Sq. Ft.	\$75 - \$80	\$85 - \$90	\$90 - \$95	\$95 - \$105	\$100 - \$115	\$115 - \$125
1,200 sq. ft.	\$90,000 - \$96,000	\$102,000 - \$108,000	\$108,000 - \$114,000	\$114,000 - \$126,000	\$120,000 - \$138,000	\$138,000 - \$150,000
1,700 sq. ft.	\$90,000 - \$136,000	\$144,500 - \$153,000	\$153,000 - \$161,500	\$161,500 - \$178,500	\$170,000 - 195,500	\$195,000 - \$212,500
2,000 sq. ft.	\$150,000 - \$160,000	\$170,000 - \$180,000	\$170,000 - \$190,000	\$190,000 - \$210,000	\$200,000 - \$230,000	\$230,000 - \$250,000

Source: builder-cost.net

Note: Includes indirect costs and builder mark-up, but excludes land, permit, and all other costs.

ii. Multifamily Construction

Although there has been little recent multifamily development in Marysville, contacts with multifamily housing developers in the region indicate that construction costs for multifamily housing units, excluding land and site preparation development costs, fees, and related expenses range from \$70 to \$100 per square foot, depending on the quality of construction and interior amenities. As noted in Chapter II, Analysis of Assisted Housing Projects at Risk, the average cost of replacing a rental housing unit, including all costs related to construction, land development, fees, and builder profit, is estimated to be \$100,000. Table III-12 compares costs for various sizes of multifamily units.

Table III-12: Construction Costs in Marysville (Multifamily Housing Units)

	Basic Construction	Average Construction	High Quality Construction
	\$70/sq. ft.	\$85/sq. ft.	\$100 sq. ft.
Studio/Efficiency (400 sq. ft.)	\$28,000	\$34,000	\$40,000
One Bedroom (550 sq. ft.)	\$38,500	\$46,750	\$55,000
Two-Bedroom (700 sq. ft.)	\$49,000	\$59,500	\$70,000
Three-Bedroom (900 sq. ft.)	\$63,000	\$76,500	\$90,000

Source: Cotton/Bridges/Associates



IV. HOUSING STRATEGY

A. EVALUATION OF PAST ACHIEVEMENTS

This chapter documents the City's achievements under the 1991 Housing Element with respect to the actions and objectives contained in the Element, describe the relative success of the City's efforts to implement the 1991 programs, and contains recommendations for program changes to address current and projected needs and State requirements between 2001 and 2008.

Given the City's limited financial, staff, and land resources, the City has made significant progress in addressing much of its affordable housing needs and accommodating its share of regional housing needs under the SACOG Regional Housing Needs Plan. The City must still make significant progress in the following areas, which are the focus of the updated Housing Element:

- a. Continue to address the challenges of providing housing on small, infill sites and underutilized properties.
- b. Preserve the historic character of older structures and neighborhoods while providing opportunities to provide housing through the renovation and/or conversion of historic structures.
- c. Continue to improve housing conditions through a combination of financial incentives for rehabilitation and code enforcement.
- d. Attract new market-rate housing developments to Marysville.

Program Actions

Achievements

GOAL ONE: TO PROVIDE FOR THE CITY'S REGIONAL SHARE OF NEW HOUSING FOR ALL INCOME GROUPS

Program 1: Adequate Sites for Housing, in Particular Rental Housing

Evaluation of Effectiveness

Objective: Included in Program 2

Actions:

- Monitor development and zoning to encourage new multifamily rental housing
- Develop infill housing strategy with regulatory and financial incentives
- allow residences downtown above commercial establishments subject to a use permit
- allow residences in mixed-use buildings and projects
- adopt zoning standards for high density, multifamily downtown and for residences in mixed-use buildings and projects
- amend zoning code to allow shared parking for commercial and residential uses and reduced parking ratios for certain types of housing
- investigate parking mitigation strategies, such as a downtown parking district

This program was successful in providing a regulatory climate to stimulate the production of housing on mostly small, infill lots and through the re-use of underutilized properties during the 1990s, although individual objectives for numbers of new housing units were not met for specific programs, as noted below. Weak housing demand in Marysville during the 1990s compared to Yuba City, which has fewer development challenges, moderated the City's ability to fully achieve its housing production objectives. Although the City experienced a moderate level of development during the 1990s, the removal of a significant number of dilapidated dwelling units resulted in the net decrease of eight single-family homes and a net gain of only two duplex units between 1990 and 2000 (California Department of Finance E-5 report). The City was more successful in achieving production objectives for multifamily housing, as noted in the evaluation of Goal 1, Program 2.

The City's efforts to provide a positive regulatory climate and promote housing development opportunities began to attract increasing developer interest toward the end of the 1990s through the present. In 1999, 60 multifamily housing units were added to the City's housing stock. In 2002, the City approved two infill and one historic building renovation/conversion project that, collectively, will provide 17 market-rate single-family homes, 18 town homes affordable to moderate-income households, and 16 housing units affordable to low-income seniors. Although the 2002 projects occurred outside the evaluation period and are not counted as achievements under the 1992 Housing Element, these projects are further evidence of the City's progress in attracting residential development proposals.

The City anticipates that this program will continue to attract interested developers over the next five years because of the increasing attractiveness of the Marysville's downtown area as a unique location for urban infill projects. The greatest challenge, however, will continue to be the re-use of the Marysville Hotel (see Goal 1, Program 2 for further details).

Description of Achievements

The City has prepared a number of studies to identify sites for housing in Marysville. In 1997, the City prepared a downtown infill housing study using a planning/technical assistance in the

Program Actions

- amend the Redevelopment Plan to place a priority on the conversion of second-story commercial space and residential hotels for residential use
- consider appropriate financial incentives, including priority use of housing set-aside funds, to encourage mixed-use and residential development proposals downtown, which include housing affordable to low-income residents
- apply for planning grants to identify specific properties, design alternatives, development costs, and funding

Achievements

amount of \$17,000. In 2002, the City also conducted a study to determine the feasibility of renovating the Marysville Hotel, a historic building. This study has not yet been completed. In 1998 and 2002, the City received grant funds to assess the housing rehabilitation needs of multifamily housing in the Downtown Core area.

The City's Zoning Ordinance allows multifamily housing in commercial zones with a use permit. The City has allowed residences in commercial zones since the current Zoning Ordinance was adopted in 1981.

No specific standards for high-density multifamily housing were adopted in zoning Ordinance—only commercial standards apply. The City's Design Review Manual contains standards for development in redevelopment project areas and the historic preservation overlay district, which includes most of the central city area. The City's priority is to update the design guidelines in 2003, including standards for multifamily housing. The objective is to create an administrative review process based on explicit standards. Zoning Ordinance update would follow the revision of the design guidelines.

The City does not currently provide a formal process for shared or reduced parking in the downtown, but may do so as part of this Housing Element update. The City has granted variances from parking requirements for small lots, housing proposals in the downtown area, and special needs housing (such as senior housing) when an applicant can show a reduced parking need.¹² An example is the Wicks-Werley House, a 16-unit senior housing project located in the commercial downtown area.

¹² The Downtown area is bounded by 1st & 7th Streets and C & E Streets.

PROGRAM 2: Development of Sites for Multifamily Housing

Objective: 25 very low-income units, 25 low-income units

Actions:

- encourage a percentage of new multifamily dwelling units to contain 3- and 4-bedrooms
- require that City-assisted projects to address the needs of farmworkers

Evaluation of Effectiveness

The City was successful in attracting 60 new multifamily housing units that included a mixture of small and large family housing units, exceeding the objective for this program. The success of this program can be duplicated during the period covered by this Housing Element as the City continues to provide regulatory and financial incentives. The City will continue to promote multifamily housing development opportunities. This program should be part of the City's overall strategy (Program 1) for facilitating residential development on vacant infill properties and commercial sites in the downtown area.

Description of Achievements

Twenty multifamily housing units were developed in several infill/re-use projects are affordable to low- and moderate--income households (the City's records do not provide an analysis of the number units affordable by income category).

The City continues to encourage the development of new multifamily housing units with three or four bedrooms through its zoning standards for multifamily housing that permit relatively high densities and low parking ratios even for larger multifamily units. The City also conducted several studies during the 1990s, funded by a combination of state grants and local redevelopment funds, to identify infill housing and mixed-use opportunities in the downtown area. These studies included a downtown housing strategy (1990), the Marysville Housing Study (1998), and a feasibility study of converting the Marysville Hotel into a residential or residential-mixed use project (date uncertain).

The downtown housing study in 1990 identified 28 commercial and converted residential structures in the downtown area with two or more stories that had the potential for housing units above street-level commercial use. The study also identified an opportunity to convert the 28-unit Olympic motor hotel from transient occupancy to year-round efficiency apartments or SRO units. Subsequent to the study, the Olympic Hotel was destroyed by fire.

The 1998 Marysville Housing Study identified four sites with infill housing development potential. Two of the sites were subsequently determined not to be good candidates for infill housing. One site consisted of eight long, narrow lots that, if combined into a single, half-block parcel, could create a development opportunity on approximately 0.8 acres of land.

The recommended site was larger (about one acre, if consolidated from seven existing lots) and more centrally located. The study recommended site plans for three project alternatives: 1) a family housing project consisting of 22 units (13 two-bedroom and nine three-bedroom units), 2) a senior housing-commercial mixed-use project consisting of 27 units (22 one-bedroom and five two-bedroom units), and 3) a senior housing only project, consisting of 31 units (25 one-bedroom and six two-bedroom units). A project on this site has yet to be developed, but the City continues to work with the property owners and promote the development potential of the site to interested developers.

No housing specifically designed for farmworkers has been developed in Marysville because there is little agricultural activity within the City that would create a need for such housing. Forty units of housing for farmworkers were developed in the unincorporated area just outside the City in 1999 as the Beverly Terrace farmworker housing project, which included both housing and a pre-school for their children.

Evaluation of Effectiveness

No new second units have been approved since 1997. Given the low rents in Marysville in comparison the cost of the constructing second units, there is little economic incentive for property owners to construct such units. It is unlikely that the City's second unit requirements were a factor in affecting property owner interest in building such units or that "promoting" second units through a utility bill flyer would stimulate demand for such units. However, the City does provide public information at its permit counter on second units and other zoning provisions.

The City could offer financial incentives (subsidies) to entice single-family homeowners to construct rent-restricted second units for lower-income households. However, the cost of producing such units and the negative perception by property owners of rent limitation agreements recorded as deed restrictions against their properties make it unlikely that single-family homeowners will be enticed by offers of financial assistance to create more second units. The City believes that its current approach of informing the public about opportunities for second units should continue, therefore.

PROGRAM 3: Second Dwelling Units

Objective: 5 second units

Action:

- promote the use of second units through an information flyer available at City Hall and a note included in the City's utility bill

PROGRAM 4: Sites for Special Group Housing

Objective: Not quantified

Action:

- Allow group homes of six or fewer individuals serving these and other special population groups as a residential use in any residential zone in the City

PROGRAM 5: Housing for Older Adults

Objective: included in Program 2

Action:

- provide density bonuses, other incentives, and offer assistance in obtaining government funding for senior housing

Evaluation of Effectiveness

The City has been relatively successful in accommodating community care facilities for special needs groups through its regulatory standards. In fact, Marysville accommodates facilities that serve individuals from throughout the Yuba-Sutter counties region. The Special Needs section of Chapter II, Community Profile, lists and describes community care facilities that have located in Marysville.

Description of Achievements

The Zoning Ordinance allows group homes of six or fewer individuals by right serving these and other special population groups as a residential use in any residential zone.

Evaluation of Effectiveness

This program has been moderately effective in attracting interest in senior housing in Marysville. The City allows relatively high residential densities, and does not regulate residential density in commercial zones, which make senior housing attractive because such projects are typically constructed at higher residential densities. There has been no need for affordable housing providers to request density bonuses, however, due to the relatively high densities permitted by the City.

Description of Achievements

The Marysville Community Development Agency recently contributed \$50,000 to support the development of the Wicks-Werley House, an approved senior housing apartment and retail project that has not yet been constructed but will eventually contain 16 units for seniors. The City also identified a site that could accommodate up to 31 senior or 22 family housing units (see evaluation of Goal 1, Program 1)

The City will continue to offer density bonuses, regulatory incentives to facilitate the development of affordable housing if such a bonus is necessary for the feasibility of an affordable housing development.

PROGRAM 6: Housing for Single Parents with Children

Objective: Increase in affordable housing and child care services and options single mothers.

Actions:

- investigate state/federal programs and activities by non-profits to meet the needs of single mothers
- encourage development proposals that integrate affordable housing and child care services
- review zoning code to ensure City regulations do not overly restrict the location of child care services

PROGRAM 7: Regulatory Changes to Permit Housing in the Downtown Area

Objective: Designation of sites and existing buildings in the downtown area on which housing may be developed as of right or as a conditionally permitted use

Actions:

- adopt changes to the zoning ordinance to:
- allow residential developments as of right

Evaluation of Effectiveness

The City's zoning standards for child day care provide great flexibility for integrating child day care with residential projects, commercial projects, or residential-commercial mixed-use projects. This program should be combined with other actions to facilitate a variety of affordable housing for different types of households.

Description of Achievements

Community care facilities (CCFs), which include day care for children, are permitted in all residential zones. Facilities serving six or fewer persons are allowed by right, while those serving seven or more are permitted with a use permit. The City's zoning standards also permit child day care facilities for six or fewer children by right in R-1 through R-3 zones, larger facilities in those zones with a use permit, day-care facilities of any size by right in R-4 zones, and day-care facilities with a use permit in commercial zones. The City continues to encourage and support development proposals that integrate affordable housing and child care services through its zoning standards.

Evaluation of Effectiveness

This program has been effective in stimulating interest in housing in the downtown and surrounding areas since the late 1990s (see the evaluation of Goal 1, Program 2).

Description of Achievements

The City has designated sites within the Marysville Plaza Plan area on which housing or residential-commercial mixed-use development are permitted by right. The City also allows multifamily housing in all commercial zones, subject to a use permit.

on designated sites in the downtown area

- allow residences in mixed-use buildings or projects in the downtown area as conditional uses

GOAL TWO: ENCOURAGE THE PROVISION OF AFFORDABLE HOUSING

PROGRAM 1: Density Bonuses and Other Incentives

Objective: 5 very low-income units, 5 low-income units.

Action:

- offer density bonuses for projects in which at least 20 the units are affordable to low-income households and/or at least 10 of the units are affordable to very low-income households. In addition, offer the following incentives
- fee reductions, the amount of the reduction depending on the financial need of the project to maintain the affordability of dwelling units
- continue fast-track processing of development permits for residential development
- low-interest financing (if available as a result of a successful tax exempt bond issue)

Evaluation of Effectiveness

Density bonuses have not been necessary to attract affordable housing projects to Marysville because the City allows relatively high densities (up to 24 units in the R-3 zone, up to 48 units in the R-4 zone, and no upper density limits in commercial zones and designated areas of the Marysville Plaza redevelopment project area). However, the City will continue to offer this option for qualifying affordable housing developments should density bonuses become necessary for project feasibility in the future.

Description of Achievements

In compliance with State law, the City continues to offer density bonus and/or other regulatory incentives to facilitate the development of affordable housing in Marysville. As described in the evaluation of Program 2, the City assisted in the development of several affordable multifamily housing projects. As described in Chapter III, Standards Affecting Residential Density the City, has also approved regulatory incentives, such as reduced parking standards and variances from minimum lot size and set-back requirements, to accommodate both market-rate and affordable housing developments.

PROGRAM 2: Pursue Funding Under State and Federal Programs

Objective: See Goal 1, Program 2; Goal 2, Program 1

Actions:

- Continue to pursue funding:
- Seek funding from State Predevelopment Loan Program
- Seek funding from State Rental Housing Construction Program
- Seek funding from Development Assistance Program
- Seek funding from California Farmworker Grant Program
- Continue seeking funding from Community Development Block Grant Program
- solicit interested non-profit and private housing providers to make use of other state/federal programs
- provide local assistance in preparing funding applications and incentives (see Program 1)

Evaluation of Effectiveness

The City has been relatively successful in obtaining state and federal funding for affordable housing programs, having received over \$2.3 million in grants since 1996. The City has been very active in securing funds to provide home rehabilitation assistance and will continue to do so.

Description of Achievements

The City has been actively pursuing funding under State and Federal programs, including the CDBG and HOME grant programs. Since 1996, the City has secured the following housing related grants:

CDBG Grants

- 1996 Housing Rehabilitation \$500,000
- 1999 Purchase/Rehabilitation-Homeownership \$500,000
- 2001 Housing Rehabilitation \$500,000

Planning and Technical Assistance Grants

- 1997 Downtown In-fill Housing Study \$17,000
- 1997 Feasibility of Historic Building \$35,000
- 1999 Housing Conditions Survey \$6,667

HOME Grants

- 1997 Housing Rehabilitation \$300,000
- 1998 Purchase/Rehabilitation-Homeownership \$500,000

PROGRAM 3: Tax-Exempt Bond Financing

Objective: 15 low-income, 10 moderate-income households

Action:

- locate an interested developer and apply for authority (or join a JPA or consortium) to issue mortgage revenue bonds or mortgage credit certificates from the State Mortgage Revenue Bond Allocation Committee

PROGRAM 4: Community Reinvestment Act

Objective: 10 low-income units

Action:

- identify financial institutions operating in the City and request that these institutions develop specific programs for providing financing for low- and moderate-income housing

Evaluation of Effectiveness

This has not been accomplished due to limitations in staff resources, changes in City staff, and the City's focus on state and federal grant programs with which Marysville has a proven record of success. Tax-exempt bonds may represent a viable funding option in the future, and the City will continue this program by assessing the feasibility of joining an existing governmental consortium.

Descriptions of Achievements

No achievements to date. However, the City has been active in securing other affordable housing funds. As mentioned previously, the City has used CDBG and HOME funds to provide home rehabilitation and first-time homebuyer assistance.

Evaluation of Effectiveness

There are a limited number of banking institutions in Marysville: three federally chartered establishments and two state-chartered establishments. The City has not been successful in pursuing specific funding commitments from these institutions due to limited staff resources and changes in staff. Because three of the five banks are local/regional, the City could pursue commitments from these banks to provide funding for affordable housing projects in Marysville.

Description of Achievements

As part of this Housing Element update, the City examined data collected under the Home Mortgage Disclosure Act (HMDA). The data shows that lower and moderate-income households have been relatively successful in securing government-backed home purchase loans. The City will continue to support the provision of financing to meet the housing needs of lower and moderate-income households.

PROGRAM 5: Permit and Development Fee Reductions

Objective: Cost savings for affordable housing projects

Action:

- waive or reduce fees for affordable housing projects
- request waivers or reductions from other agencies which have independent authority to charge fees

PROGRAM 6: Zoning and Infill Housing Potential

Objective: accommodate 264 dwelling units on vacant and underutilized sites

Actions:

- maintain multifamily zoning on vacant sites
- identify opportunities for infill housing, second dwellings, and the conversions of residential hotels/motels to year-round housing
- apply zoning requirements flexibly on small lots to encourage the production of affordable housing
- conduct a thorough analysis of vacant properties to determine if additional parcels are suited to higher density residential use

Evaluation of Effectiveness

As noted, in Chapter III, Permit and Impact Fees, the City has relatively low permit and development impact fees. These fees are necessary to cover the costs of services and facilities provided by the City. Almost half of the fees are State mandated for school facilities. The State does not waive these fees unless the project is senior housing. Rather than waive or reduce fees directly, therefore, the City has chosen to financially assist affordable housing projects through state or federal grants, program income from previous grants, and/or the use of Redevelopment Agency Housing Set-Aside funds (unless these set-aside funds are extracted by the State). The City will continue to use this strategy to financially assist in the production of affordable housing and defer fees when necessary to reduce the initial their initial financial impact on affordable housing projects.

Evaluation of Effectiveness

See evaluation of programs under Goal 1. Rather than rezone properties, the City has used its planned development process, variances, and redevelopment project area plans to provide flexibility in approving multifamily infill housing projects as described in Goal 1. This program will be combined with other into a single infill and re-use strategy under Goal 1.

Description of Achievements

The City has completed a number of studies to identify opportunities for infill housing and hotel conversions. In particular, the City conducted a downtown housing strategy in 1990 and an infill housing study 1998.

There have not been any hotel/motel conversions in Marysville since 1997. One motel identified for conversion, the Olympic Hotel, was destroyed by fire. A second hotel previously identified for conversion potential, the Marysville Hotel, while the object of developer interest, has not proven it financially feasible to rehabilitate and re-use. The City prepared an updated appraisal and feasibility study in 2002 that it hopes will demonstrate the financial feasibility of converting the vacant hotel building to a mixed-use incorporating 68 dwelling units and attracting an interested developer.

PROGRAM 7: Encourage the Production of Housing for Large Families

See evaluation of Program 2, Goal 1.

Objective: included in other programs for affordable housing

Actions:

- seek commitments from developers to include 3-bedroom dwellings in project designs for low-income rental housing
- consider additional tax-increment funding for large family units

GOAL THREE: IMPROVE/CONSERVE THE EXISTING SUPPLY OF HOUSING

PROGRAM 1: Inspection Program

Evaluation of Effectiveness

Objective: depends on number of inspections

Marysville has limited staffing resources and cannot conduct pro-active or voluntary inspections on a regular basis. The City has focused, instead, on complaint-based code enforcement, pro-active enforcement of the most serious health and safety violations, and inspections in conjunction with the City's housing rehabilitation program.

Actions:

- inspect residential properties for building code violations on a request basis
- conduct voluntary building code inspections for a fee that covers the cost of this service

The decline in housing rehabilitation needs between 1990 and 2001 (see Chapter II, Housing Age and Condition), from 34 percent of the housing stock to 24 percent, suggests that the City's strategy has effectively reduced housing rehabilitation needs in the City.

Description of Achievements

See evaluation of Program 3, Goal 3 for information on housing rehabilitation activities.

PROGRAM 2: Code Enforcement and Abatement

Objective: Repair dwelling units feasible to rehabilitate; remove 10 dwelling units infeasible to repair and relocate 10 low-income households

Actions:

- identify unsafe dwelling units that and initiate appropriate code enforcement actions

PROGRAM 3: Rehabilitation of Substandard Dwelling Units

Objective: 70 dwelling units (1991 – 1998), 30 very low-income households and 40 low-income

Actions:

- Apply for and/or assist eligible households in applying for various private, state and federal sources of funding for housing rehabilitation

See evaluation of Program 1, Goal 3.

Evaluation of Effectiveness

As noted in the evaluation of Program 1, Goal 3, the City has been able to reduce its housing rehabilitation need significantly. Although the City still has a significant housing rehabilitation need, its efforts over the past decade to improve the housing stock have stimulated private investment and made a noticeable difference in the overall condition of housing in Marysville.

Description of Achievements

The City assisted in the rehabilitation of 61 dwelling units between 1997 and 2000, of which 20 units were occupied by very low-income households, 38 by low-income households, and three by moderate-income households. The City does not have accurate records of achievements for 1991 through 1996. The City has been successful in securing CDBG and HOME funds for housing rehabilitation. Specifically, the City has received the following grants since 1996:

- 1996 \$500,000 in CDBG funds
- 1997 \$300,000 in HOME funds
- 1998 \$500,000 in HOME funds (purchase/rehab)
- 2001 \$500,000 in CDBG funds

PROGRAM 4: Relocation Assistance

Objective: 10 households

Actions:

- seek funding to relocate low-income residents displaced from the condemnation or required vacation of dwelling units due to code violations

PROGRAM 5: Housing Demolition Mitigation

Objective: Not specified

Actions:

- follow the requirements of state law regarding the demolition or conversion of dwelling units occupied by lower-income households in the City's redevelopment area

PROGRAM 6: Acquisition and Repair of Substandard Dwelling Units

Objective: 10 very low-income, 5 low-income

Actions:

- work with the non-profits to identify funding for the acquisition and rehabilitation of abandoned dwellings

Evaluation of Effectiveness

The City has not maintained records on the number of low-income households displaced as result of code enforcement or condemnation. No residential displacement has occurred as result of Redevelopment Agency actions. This program should be continued, however, to protect low-income residents against displacement from future condemnations.

Description of Achievements

The City has sought to avoid residential displacement whenever possible, but has not maintained records on whether any low-income households have been displaced as a result

Evaluation of Effectiveness

There have not been any demolitions or conversions of dwelling units in the redevelopment area. The City will continue to comply with State redevelopment law with respect to the demolition and conversion of housing occupied by lower-income households.

See evaluation of Program 3, Goal 3.

PROGRAM 7: Maintenance of Housing Condition Data Base

Objective: complete housing condition surveys in 1992 and 1996

Actions:

- maintain current information on the condition of dwelling units by periodically updating a housing conditions data base
- re-survey housing conditions every 3 to 4 years

PROGRAM 8: Zoning Flexibility For Housing Rehabilitation

Objective: not specified

Actions:

- allow non-conforming dwelling units to be rehabilitated so long as the non-conformity is not increased and there is no threat to public health and safety.

PROGRAM 9: Joint Effort to Develop Conservation Strategies

Objective: see Goal 2

Evaluation of Effectiveness

Marysville has updated information on housing conditions as frequently as necessary to monitor the effectiveness of the City's efforts to improve neighborhood and housing conditions in older neighborhoods. The City believes that five-year intervals are sufficient to gauge changes in housing conditions and will attempt to conduct housing condition surveys at those intervals. The next survey should be conducted in 2006.

Description of Achievements

The City completed housing condition surveys in 1990, 1997, and 2001 to assess the housing rehabilitation needs of multifamily housing in the Downtown Core area. Both surveys were funded by CDBG planning and technical assistance grants.

Evaluation of Effectiveness

The City's allowances for the rehabilitation or reconstruction of non-conforming residential uses have been relatively successful in providing regulatory incentives for the improvement of substandard residential structures. To the City's knowledge, building nonconformities have not prevented either government-assisted or private rehabilitation of housing units.

Description of Achievements

As described in Chapter III, Governmental Constraints, Nonconforming Uses, the City's Zoning Ordinance permits all types of repairs and reconstructions of non-conforming structures used for residential purposes in residential zones. On a case by case basis, the City also allows non-conforming buildings to be converted to residential use and continued. There are relatively few restrictions on the rehabilitation or reconstruction of nonconforming uses.

Evaluation of Effectiveness

Marysville has recently been able to attract developer interest in the conversion of buildings to residential use. The City has not been as successful in converting hotels and motels to year-round housing, largely due to market conditions in one instance (Marysville Hotel) and the destruction by fire of a motel with potential for conversion to housing (Olympic Motel).

Actions:

- work with the Yuba County Housing Authority, non-profit housing organizations, and for-profit home improvement and preservation
- builders to identify funding sources and strategies for rehabilitating dwelling units and converting buildings to residential use
- identify dwelling units appropriate for Section 8 certificates or vouchers in conjunction with rehabilitation
- identify funding and seek interested developers to rehabilitate and convert unused commercial space above street level in downtown
- identify residential hotels and motels appropriate to convert to year-round housing

PROGRAM 10: Manufactured Housing on single Family Lots

Objective: 5 homes

Actions:

- allow manufactured homes on land zoned for residential use, subject to the same development standards as site built housing

Description of Achievements

The City continues to work with Yuba County Housing Authority, non-profit housing corporations, and for-profit housing developers. The City has worked with the Rural California Housing Corporation and Mercy Housing Corporation in securing CDBG and HOME funds for the rehabilitation of housing in Marysville. The City conducted a downtown infill housing study in 1998 and a study to determine the feasibility of rehabilitating a historic building in 2002.

Evaluation of Effectiveness

The City allows manufactured homes by right on land zoned R-1, subject to the same development standards as site built housing, but no manufactured homes have been placed in residential zones since 1991. As noted in Chapter III, Governmental Constraints, one factor that may limit the use of this alternative housing type is that the City does specifically permit manufactured homes on foundations on small R-2 or R-3 lots that might only accommodate one dwelling unit. Site-built single-family homes are permitted in any residential zone. Revision of the City's Zoning Ordinance to clarify and allow manufactured homes on small R-2 and R-3 zoned lots could address this potential constraint.

This constraint is probably minor in comparison to the lack of market incentive to use manufactured housing in Marysville. As noted in Chapter III, permit and development impact fees are relatively low in Marysville, as are construction and site development costs.

PROGRAM 11: Homeless Services

Objective: Increased capacity to serve homeless persons, return homeless persons to permanent housing

Actions:

- allow for the expansion of existing homeless facilities and the siting of a transitional housing facility
- determine the feasibility of developing single room occupancy units for homeless individuals

Evaluation of Effectiveness

The City has accommodated regional facilities and services for the homeless and other special needs groups to meet the needs of individuals well beyond the City limits. As measured by the number of facilities and services in relation to the City's population, Marysville has been relatively successful in meeting its own needs in addition to the needs of others within the Yuba-Sutter region.

Description of Achievements

As noted in Chapter II, Special Housing Needs, Marysville is home to 84 beds for homeless individuals in addition to supportive services facilities and community care facilities that serve special needs groups frequently at-risk of homelessness.

GOAL FOUR: TO CONSERVE EXISTING AFFORDABLE HOUSING

PROGRAM 1: Preservation of At-Risk Housing

Objective: 144 units of affordable rental housing.

Actions:

- seek an interested investor or nonprofit housing corporation to acquire and continue operating the rental developments for low-income households

Evaluation of Effectiveness

The City has been able to preserve the majority of its affordable rental housing stock, although Marysville was unable to preserve a 76-unit affordable rental housing project. As part of its Housing Element update, the City has established a program to preserve its existing stock of affordable housing, including three assisted rental housing development identified as being at-risk of conversion.

Description of Achievements

The 1997 Housing Element identified two assisted housing projects that are at risk of conversion to market-rate housing: the 76-unit Sampson Gardens and the 68-unit Marymead Park. Sampson Gardens has been converted to market-rate housing. However, Marymead Park remains to be an affordable housing development.

GOAL FIVE: TO ENSURE EQUAL HOUSING OPPORTUNITY

PROGRAM 1: Fair Housing Program

Objective: resolve fair housing complaints

Actions:

- continue information and referral service
- provide published information from state and federal agencies
- assist individuals in contacting the appropriate agency and filing complaints

Evaluation of Effectiveness

The City has been effective in promoting equal housing opportunities through its administration of various state and federally funded housing programs and its support of government-assisted housing projects. As part of program/project implementation, the City ensures that equal housing opportunity plans are implemented and all parties are informed of their rights and responsibilities under state and federal laws. The City has also maintained a single point of contact through the City Manager's office to provide information on fair housing and refer complaints to the appropriate county, state, or federal agencies or to legal aid organizations.

Description of Achievements

The City continues to provide fair housing and referral service to residents. The City also continues to work with non-profit and government agencies in addressing housing discrimination inquiries and complaints

GOAL SIX: TO PROMOTE ENERGY CONSERVATION

PROGRAM 1: implement State Energy Conservation Standards

Objective: check building plans for compliance with state energy conservation requirements.

Actions:

- Enforce state energy conservation requirements

Evaluation of Effectiveness

The City has effectively ensured that new construction and rehabilitation projects minimize residential energy consumption through enforcement of building code standards for energy conservation.

Description of Achievements

The City continues to check building plans for compliance with State energy conservation requirements.

PROGRAM 2: Site Development Standards

Objective: improve energy conservation in residential development

Actions:

- require site development plans that encourage energy conservation

PROGRAM 3: Energy Conservation Assistance for Low-Income Households

Objective: weatherize 70 homes (1991 – 1998)

Actions:

- provide financial assistance through various state/federal programs to low-income homeowners and rental unit owners whose tenants are low income

Evaluation of Effectiveness

The City has not adopted specific zoning or site development standards for energy efficiency, nor do the City's design review guidelines focus on energy conservation. The City does not believe that such standards should be high priority given the challenges of developing housing on small infill lots and on underutilized properties. The City does not wish to create further challenges to residential development within the City. Development standards for the North Maysville Specific Plan, when adopted, could address energy conservation.

Evaluation of Effectiveness

See evaluation of Program 3, Goal 3. Weatherization and energy conservation improvements are eligible activities under the City's housing rehabilitation program.

GOAL SEVEN: TO PROMOTE THE PRESERVATION OF HISTORIC RESIDENCES

PROGRAM 1: Document Historic Resources

Objective: maintenance of citywide list

Actions:

- maintain a list of residential structures of historic or architectural value

Evaluation of Effectiveness

The City has been able to document and target important residential structures that reflect the history and historic architecture of Marysville and California. This City's historic inventory is a critical part of the City's strategy to preserve its history.

Description of Achievements

The City continues to maintain a list of residential structures of historic or architectural value. The information is from the Office of Historic Preservation's Historic Resource Database.

PROGRAM 2: Preservation of Historic Residences

Evaluation of Effectiveness and Local Survey completed in 1978.

Objective: preservation of residential buildings with historic or architectural value.

Actions:

- evaluate impact of rehabilitation and development on historic properties
- provide higher priority in funding for projects that include historic preservation
- designate certain areas as Historic Design districts and closely regulate development activities within those districts
- require owners of historic structures to follow state preservation guidelines
- prohibit demolition of historic structures unless the property owner has attempted to sell the property to an entity that will preserve the property
- invite public comments on funding for activities affecting historic preservation
- exempt property owners from historic preservation requirements to facilitate handicapped access, energy conservation, seismic safety retro-fitting, or in cases of unreasonable economic hardship

The City has been able to encourage the improvement of historic residential structures and the re-use of historic structures for residential use through a combination of financial assistance and design guidelines. This combination of financial and regulatory approaches provides sufficient flexibility to preserve architecturally significant structures while meeting the housing needs of different population groups. A recent example of this successful approach is the proposed and approved conversion of the Wicks-Werley House to 16 senior housing units while maintaining the historic architectural character of the building.

Description of Achievements

In 2002, the City conducted a study to determine the feasibility of preserving and reusing the Marysville Hotel. In particular, the City contributed \$6,000 in CDBG funds to complete the study. Chapter 18.94 of the Zoning Ordinance defines historic preservation standards, which apply to all building 50 years or older. The Design Review Manual contains a map that identifies the boundaries of the Historic Preservation District. The City continues to require owners of historic structures to follow State preservation guidelines.

The purpose of the Facade Improvement Program (FIP) is to assist commercial property owners, business tenants, and owners of significantly historic residential properties in improvements to the exterior of their buildings. The goal of the commercial portion of the program is to visibly enhance Marysville's Downtown character to spur economic revitalization. Attractive storefronts have a positive effect on the businesses within them by increasing interest in the area among both local residents and tourists. Simply put, attractive storefronts create more business. Through joint public/private action and investment, downtown revitalization efforts can become a reality.

The goal of the residential portion of the program is to assist owners of significantly historic structures with the improvement of buildings that provide an important architectural link to the past. Improving these buildings helps to maintain the City's historic character and charm as well as assisting in the preservation of the City's existing housing stock.

The Program Guidelines have been developed to present the basic elements of the Program with specific emphasis on eligibility criteria for applicants, appropriate and quality design concepts, types of eligible improvements, and what the City will help pay for.

Staff has handed out many of the informational packets to more than a dozen residential property owners, however, the response has not been as significant. The reason for this might be due to the fact that financing must be obtained and improvements completed, before, the City is able to issue a reimbursement check.

B. GOALS, POLICIES, AND PROGRAMS

This section of the Housing Element contains the City's goals, policies, and proposed plan of actions to implement those goals and policies. The goals and policies reflect the needs identified in Chapter II and resources and constraints identified in Chapter III. Each proposed implementing action contains a description of the intended action, an explanation of the responsible agency, possible sources of funding (if applicable), and the timeframe during which the program would take effect, and anticipated results. Whenever possible, the anticipated results have been expressed in quantified terms.

The philosophy underlying the proposed policies and programs is that Marysville's role in the development of housing is one of the facilitator. The City can lay the planning ground work for housing construction, provide a favorable regulatory environment for housing, apply for financial assistance from state and federal agencies, and use the limited amount of redevelopment housing set aside funds available to support affordable housing programs. Whether or not appropriate amount and types of housing are constructed, however, will depend primarily on the decisions of home builders and non-profit housing corporations. The City can be a partner in this process, however.

Goal One: To Accommodate the City's Share of Regional Housing Needs for All Income Groups

POLICIES

Policy One: Ensure that Marysville provides adequate sites with appropriate zoning and available public facilities and services to meet the City's share of regional housing needs for all income groups.

Policy Two: Identify vacant and underutilized sites that are suitable for multifamily housing development.

PROGRAMS

PROGRAM ONE: Provide Adequate Sites for Housing, in Particular Rental Housing

Description. The City contains approximately five acres of vacant land zoned for residential use, 3.4 acres of land zoned for commercial/manufacturing use, and 6.1 acres of land zoned for planned development (see Chapter III, Available Land to Accommodate Housing). Most of the land is designated in the City's General Plan for medium to high density residential use or permits medium to high density residential uses, and could accommodate up to 271 dwelling units. There is also an abundance of buildings within the downtown area that could accommodate significant housing. Although at the present time, zoning does not appear to constrain the development of affordable housing, the size and configuration of existing vacant lots in the City is a potential constraint.

Proposed Actions. To ensure that the small size of most parcels does not constitute a constraint to residential development, to encourage maximum utilization of the vacant parcels, and to encourage multifamily development on non-residential parcels identified in Table III-1, the City will undertake the following actions:

- a. The City will continue to implement an infill housing strategy based on the results of the 1990 and 1998 downtown housing studies. The infill housing strategy will consist of two components: 1) the provision of regulatory and financial incentives as described in #b and #c below to encourage the development of housing in the downtown area, and 2) continued applying for one or more State or federal planning grants to assist low-income housing providers in identifying specific properties, design alternatives, development costs, and funding sources for the conversion of residential hotels, establishment of downtown parking district for housing, design alternatives for infill properties, and the conversion of second story commercial space to residential use.
- b. Continue to implement regulatory incentives for housing through:
 - flexible application of the Zoning Ordinance, including approval of exceptions or variances to zoning standards (such as minimum lot dimension, parking, yard, or set-back requirements) when necessary to permit financially feasible residential development; and
 - allowance of multifamily housing in non-residential zones through a use permit process, including housing in the downtown area above commercial establishments and the conversion of commercial structures to residential use, subject to the same development standards as non-residential uses, which generally allow greater residential densities than in the R-3 and R-4 zones.
- c. Continue to implement financial incentives that include the use of Marysville Community Development Agency funds in support of project development, applications for state planning grants, applications for state and federal project development grants, and support of grant and loan applications by housing providers.
- d. Amend zoning requirements for parking in the downtown to allow shared parking for commercial and residential uses.
- e. Create a downtown parking district and adopt appropriate strategies to ensure that housing in the downtown area can be developed with adequate parking through the district.
- f. Contact owners of adjacent vacant properties to discuss opportunities for lot consolidation in conjunction with housing development proposals to increase the feasibility of producing housing on small, infill parcels. If necessary, provide financial assistance to housing developers through the MCDA for lot consolidation.
- g. The City will inform property owners and developers of regulatory and financial incentives through direct contacts with housing providers in the Marysville area, the distribution of a brochure explaining the City's residential property development standards at the City's permit counter and post of information on the City's web site, and mail to owners of record of vacant and underutilized properties.
- h. To accommodate the City's share of regional housing needs after 2007, the City will meet with property owners in the proposed North Marysville Specific Plan area to continue the process of plan adoption and preparation of an infrastructure financing plan. If necessary, the City will update the Specific Plan to reflect current conditions and proposed policies and development standards to address those conditions. The City will determine an appropriate portion of the Specific Plan area to annex in a first phase prior to 2008. Subsequent annexations may occur for the entire Specific Plan area after 2008. To finance that portion of the planning process that addresses the designation of sites and the provision of public services and facilities that are adequate for very low- and low-income housing, the City will apply for a CDBG planning grant.

- i. To mitigate the impact of additional housing in the down area, the City will establish a parking district to be funded partially from property development fees.

Administration: Planning Department, City Administrator

Funding: Marysville Community Development Agency funds, Community Development Block Grant, Home Investment Partnership Program (HOME), California Housing Finance Agency (CalHFA) HELP Program, CalHome Program, other state and federal funds identified for specific projects/planning activities; property owner fees for downtown parking district

Timeframes:

- 1a. Ongoing, 2000 – 2007
- 1b. Ongoing, 2000 – 2007
- 1c. Apply for planning grants in 2004 for an analysis of commercial buildings with residential development potential on upper floors; apply for state and federal grants annually (2004 – 2007) in association with eligible residential development proposals.
- 1d. Amend Zoning Ordinance by June 2004 (see Program 2, Goal 1)
- 1e. Complete downtown parking district study by Marcy 2004; create district by December 2003
- 1f. Contact owners in conjunction with specific development proposals, 2004 – 2007
- 1g. Contact housing providers by December 2003 and annually thereafter; mail information to property owners by June 2004; post on the City's web site and distribute information at the City's permit counter on a continuous basis, beginning January 2004
- 1h. Meet with property owners by December 2004; apply for planning grant in 2005; complete specific plan and financing plan updates by July 2006; complete first phase annexation by July 2007.
- 1i. Establish a downtown parking district by January 1, 2005.

Objective: Accommodate at least 170 additional dwelling units between 2000 and 2007, seven very low-income affordable housing units, 51 low-income affordable housing units, seven moderate-income affordable housing units, and 105 above moderate-income affordable housing units.

PROGRAM TWO: Sites for Special Housing Needs

Description. The most critical need for City involvement is to increase the availability of affordable housing and supportive services for low-income and special needs groups, including large families, seniors, local workers in low-wage industries (including agriculture), persons with disabilities, and single-parent households. Housing for these special needs groups will likely include a variety of housing types, including multifamily, residential care facilities (such as group homes), transitional housing, and temporary shelter. To facilitate the siting of housing for special needs groups, Marysville needs to refine several sections of its Zoning Ordinance to specify appropriate locations and conditions.

Proposed Actions. The City will continue its current zoning practices of permitting a wide range of alternative housing and shelter facilities in residential and non-residential zones, including second units by right in single-family zones, residential care facilities in residential and non-residential zones (facilities of six or fewer by right in residential zones), boarding houses in R-4 zones, and apartment hotels, group care facilities, institutional group care facilities, rescue missions, and other special needs housing in non-residential zones.

The City will also clarify and expand the types of housing and shelter options listed in the Zoning Ordinance through the following revisions to its Zoning Ordinance:

- a. Amend Chapter 18.04 to add definitions for “emergency shelter,” “transitional housing,” “mobile home park,” and “farmworker housing” consistent with definitions for these types of shelter in state law (Health and Safety Code section 50801 for emergency shelter and transitional housing, section 50781 for mobile home park, and section 50517.5 for farmworker housing). Amend the following sections of the Zoning Ordinance to specify locations and development standards under which these types of shelter will be permitted, as described below:
 - Permit emergency shelters in the C-3 and CH zones, subject to a use permit and compliance with same development standards as other uses in these zones.
 - Permit transitional housing with a use permit in R-3, R-4, and all other zones that allow multiple family dwelling units, subject to the same zoning and parking standards required of multiple family housing in those zones.
 - List mobile home parks as a permitted use wherever mobile homes are allowed on permanent foundations, subject to the same zoning and parking standards as other residential uses in those zones.
 - Permit seasonal housing for migrant farmworkers in industrial zones, subject to a use permit, subject to the same zoning and parking standards applicable to multiple family dwellings in these zones.
- b. Amend chapters 18.20 and 18.21, R-3 Neighborhood Apartment District and R-4 General Apartment District, to reserve R-3 and R-4 sites for three-family, four-family, and multiple family housing, apartments, condominiums, and similar multi-unit residential uses except when lot size or other physical constraints limit the development capacity of a parcel to one site built or manufactured single-family or one two-family dwelling.
- c. Amend chapters 18.20 and 18.21, R-3 Neighborhood Apartment District and R-4 General Apartment District, to eliminate non-residential uses such as stables, professional offices, hotels and motels, mortuaries, medical and dental clinics, as permitted uses in these zones.
- d. Amend Chapter 18.72, Use Permits, to include specific criteria for the approval of use permits for emergency shelters, transitional housing, community care facilities, group homes, migrant farmworker housing, and other special needs shelter facilities. In addition to compliance with zoning and parking standards, such criteria will address:
 - hours of operation;
 - external lighting and noise;
 - provision of security measures for the proper operation and management of a proposed facility;
 - measures to avoid queues of individuals outside proposed facilities;
 - transportation of individuals to and from proposed facilities;
 - compliance with county and state health and safety requirements for food, medical, and other supportive services provided on-site;

- maintenance in good standing of county and/or state licenses, if required by these agencies for the owner(s), operator(s), and/or staff of a proposed facility; and
 - similar operations and management issues.
- e. Amend Chapter 18.88 to permit the placement of manufactured homes on permanent foundations in any zone that permits single-family homes, such to the limitations proposed in recommendation #b above.
 - f. Amend Chapter 18.90 to allow detached second units through a use permit process with deed restrictions requiring the units to be occupied by very low- or very low-income households.

Administration/Funding: Planning Department

Funding: General Fund

Timeframe: Revise Zoning Ordinance by June 2004

Objective: Designate specific locations and conditions for the suitability of special needs housing.

PROGRAM THREE: Second Dwelling Units

Description. Single family dwelling on large lots could accommodate second dwelling units without overburdening the neighborhoods in which they are located, provided there is sufficient room on the lot for off-street parking and the second dwelling is small in size (typically a studio, one-bedroom, or small two-bedroom rental dwelling).

Proposed Actions: Promote the use of second units through an information flyer available at City Hall and a note included in the City's utility bill. Amend Chapter 18.90, Second Residential Units on R-1 Lots, to allow detached second units in R-1 zones, subject to compliance with R-1 development standards.

Administration: Planning Department

Funding: General Fund, permit fees

Timeframe: Produce flyers and post on the City's web site by December 2003; amend the Zoning Ordinance by June 2004 to permit detached second units; distribute notice annually through utility billing and maintain copies on a continuous basis at the City's permit counter.

Objective: Approve applications for five second units (Note: these units are anticipated to be affordable to persons earning between 65% and 80% of median income for a one- or two-person household at non-restricted market rents (including utilities) of \$450 - \$510 [2002 dollars.] The assumption on rent levels is consistent with 2002 market rents in Marysville.)

PROGRAM FOUR: Manufactured Housing on Single-Family Lots

Description. Many small infill parcels are appropriate for the placement of factory built housing on permanent foundation. State law requires that local governments permit manufactured housing on permanent foundations subject to the same standards as site built homes.

Proposed Actions. The City will continue to allow manufactured homes on land zoned for residential use, subject to the same development standards as site built housing, according to the requirements of state law. Marysville will provide information at the City's permit counter regarding the standards for manufactured homes and post information on the City's web site regarding allowance for manufactured homes.

Administration. Planning Department and Building Department

Funding. General Fund, permit fees

Timeframe. Current and ongoing, 2003 – 2007.

Objective. Accommodate the City's share of the SACOG regional housing allocation (see Program #1)

Goal Two: Encourage the Provision of Affordable Housing

POLICIES

Policy One: Make effective use of state and federal programs and work with non-profit and for-profit developers to make use of those programs for which the developer must be the applicant.

Policy Two: Investigate the feasibility of joining a consortium of public agencies to take advantage of tax-exempt bond financing and/or mortgage credit certificates.

Policy Three: Provide density bonuses to home builders proposing to include a minimum specified percentage of low- and moderate-income dwelling units within residential developments.

Policy Four: Work with non-profit organizations to identify potential projects and sources of funding to develop low- and moderate-income housing.

Policy Five: Support the Yuba County Housing Authority in its pursuit of funding to maintain and expand the supply of subsidized housing for low-income households.

PROGRAMS

PROGRAM ONE: Density Bonuses and Other Incentives

Description. Density bonuses provide a developer with additional dwelling units in exchange for the provision of housing affordable to low- and moderate-income households. State law provides that if a developer proposes to include at least 20 percent of the dwelling units in a project at rents/prices that are affordable to low-income households, or 10 percent of the dwelling units in a project at rents/prices that are affordable to very low-income households, the local jurisdiction must permit a 25 percent density bonus and offer other development incentives. Affordable housing providers have not made extensive use of density bonuses in Marysville because the maximum densities permitted by the City are relatively high in relation to the size and configuration of available sites (up to 24 units per

acre in the R-3 zone, up to 48 units per acre in the R-4 zone, and no upper limit on dwelling unit density in nonresidential zones). The City has, instead, focused on regulatory and financial incentives, such as approving exceptions and variances to zoning standards to financially assisting affordable housing projects, to increase the feasibility of producing affordable housing.

Proposed Action. The City will offer a 25 percent density bonus, if needed to facilitate the construction of housing affordable to lower-income households, for any project in which at least 20 percent the units are affordable to low-income households and/or at least 10 percent of the units are affordable to very low-income households. In addition, the City will offer the following incentives to projects meeting the above criteria:

- a. exceptions to, or variances from, the City's zoning standards appropriate to the site conditions and physical/financial circumstances of the proposed project;
- b. continue expedited staff review and scheduling of public hearings for projects that require Planning and Historic Preservation Commission review; and
- c. financial assistance from the MCDA, to extent that housing set-aside funds are available, if needed to secure state and/or federal assistance or to fill a financing gap

Administration: Planning Department

Funding: General Fund, permit fees, Marysville Community Development Agency

Timeframe: As projects qualifying for density bonuses are proposed

Objective: See Program 2 below.

PROGRAM TWO: Pursue Funding Under State and Federal Programs

Description. There are a number of state and federal programs that provide low-cost financing or grants for the production of low-and moderate-income housing. Some of these grant programs require an application and participation by a local public agency, while others permit nonprofit entities to directly apply for assistance. Among the state programs for which the City or a nonprofit entity might apply are CDBG (planning grants and grants in supportive of housing construction), Home Investment Partnership Program, CalHome Program, Downtown Rebound Program, the Multifamily Housing Program, and the Joe Serna, Jr. Farmworker Housing Grant Program. Federal programs through the Department of Housing and Urban Development and the Department of Agriculture's Rural Housing Services Division may also provide sources of funding for affordable housing construction.

Proposed Actions. The City will provide local assistance in preparing funding applications for affordable housing projects that require a public agency applicant. The City will also consider providing financial support through the MCDA and/or staff support in providing needed information for funding requests to increase the likelihood of receiving state or federal funding. To promote its application assistance efforts, a representative of the City will meet annually, and additionally during the year as needed, with nonprofit and for-profit affordable housing providers to determine their interest in, and plans for, constructing affordable housing in Marysville. Based on the clients to be served by proposed projects and the type of housing and services to be incorporated into funding requests, the City will assist the housing provider in identifying the most appropriate state and/or federal funding sources.

Administration: Planning Department, City Administrator, Finance Department

Funding: Various state or federal programs, depending on the clients to be served and the type of housing to be provided

Timeframe: Annual contact with affordable housing providers, 2003 – 2007, additional contacts as needed to discuss project-specific issues

Objective: Provide at least 16 very low-income housing units and 51 low-income housing units (Note: this objectives includes units approved in 2002 with affordability restrictions—see Table II-33 regarding assumptions on housing units constructed or approved through January 2003.)

PROGRAM THREE: Tax-Exempt Bond Financing

Description. Public agencies can issue tax-exempt revenue bonds to finance the acquisition, construction, or rehabilitation of affordable housing or mortgage credit certificates to assist low- and moderate-income homebuyers. Because the bonds are issued through a public agency, the investors pay no income tax on the interest earned, the bonds carry a lower interest rate than would otherwise be available to the borrower. Housing financed through tax-exempt bonds can assist both ownership and rental housing. To use this program, a public agency must first locate an interested developer, apply for and receive an allocation from the California Debt Limit Allocation Committee, and locate a bond underwriter to assist in the issuance of the bonds. The process typically takes one year to 18 months from the initial application to the availability of funds for project development/financing. Receipt of an allocation requires a deposit by the public agency applicant. Other, significant costs are also involved in submitting an application. Because of the technical complexities and costs of participating in tax-exempt bond or mortgage credit certificate programs, many small cities and counties pool their resources with other public agencies and jointly participate through a consortium.

Proposed Action. The City will determine the feasibility of participating in a consortium with other public agencies to take advantage of tax-exempt bond financing or mortgage credit certificates as a funding tool for affordable housing. Feasibility will be based on the amount of funding that could be used within the City in relation to the cost of participation. The City will identify existing public agency consortiums and determine the most feasible group in which to participate.

Administration: City Administrator, Finance Department

Funding: General Fund, Marysville Community Development Agency

Timeframe: Identify potential consortiums and meet with other public officials by June 2004. Begin participation by December 2004 (if possible).

Objective: Increase financing options for very low- and low-income housing units identified in Program 2 above.

PROGRAM FOUR: Community Reinvestment

Description. The Community Reinvestment Act directs federal regulatory and deposit insurance agencies to encourage the institutions they regulate or insure to assist in meeting the credit needs of their communities, including low- and moderate-income needs. Federal agencies are supposed to evaluate compliance with the intent of this act when reviewing applications by financial institutions for charters, new branches, mergers, relocations, and other regulated transactions. With the

consolidation of the banking industry during the 1990s, it has become increasingly difficult for individual communities to obtain specific commitments from financial institutions to participate in the financing of community development projects benefiting low- and moderate-income residents. Funding decisions are often made by senior officials in regional or headquarters offices far removed from the community.

Proposed Action. The City will meet with representatives of each of the locally/regionally-based lending institutions to determine their interest in funding community development and housing activities, including participation in Federal Home Loan Bank Board affordable housing programs. For participating lenders, the City will serve as a liaison between the institution and housing providers seeking funding sources for their projects.

Administration: City Administrator, Finance Department, Marysville Community Development Agency

Funding: General Fund

Timeframe: Meet with representatives of local lending institutions by June 2004, and as needed thereafter for project-specific funding requests.

Objective: Increase funding options for affordable housing projects. See Program 2 for quantified objective for new housing construction.

PROGRAM FIVE: Encourage the Production of Housing for Large Families

Description. The Housing Element identifies low-income large families as one of the resident groups in Marysville with the greatest unmet housing need.

Proposed Actions. To address large family needs, the City will seek commitments from developers to include three- and four-bedroom dwellings in project designs for low-income rental housing, except for housing projects specifically designed for seniors or single adults. This provision shall be incorporated into revised Design Review Guidelines. To increase the financial feasibility of meeting those needs, the Marysville Community Development Agency will consider additional tax-increment funding for large family housing units.

Administration: City Manager and Finance Department

Funding: General Fund, Marysville Community Development Agency

Timeframe: 2003 – 2007, through pre-application meetings for affordable housing projects that request City/Marysville Community Development Agency assistance.

Objective: 10 percent of housing units in affordable housing projects with three and four bedrooms for large families.

PROGRAM SIX: Joint Effort with Yuba County and Non-Profit Organizations

Description. The City has conducted several planning studies since 1990 to identify opportunities to increase the housing supply through infill development, mixed-use projects, the conversion of historic commercial structures to residential use, and the conversion of hotels and motels to permanent housing. As result of these studies, the City has identified vacant properties, commercial structures,

and lodging facilities in the downtown and surrounding areas that have the greatest potential for the development of housing. Much of the housing that may be developed on these sites will require subsidies to ensure their long-term affordability for very low- and low-income households. Some housing projects may require a commitment of housing vouchers from the Yuba County Housing Authority.

Proposed Actions. The City will seek the assistance of the Yuba County Housing Authority and non-profit housing organizations to identify and secure funding sources to develop vacant properties and to rehabilitate and convert non-residential buildings to residential use. To implement this program, the City will:

- a. Meet with Housing Authority representatives to provide information on potential sites and housing development proposals that would be appropriate for the use of housing vouchers in conjunction with state or federal new construction or rehabilitation subsidies.
- b. Meet with representatives of non-profit housing providers to seek their interest in securing funding and developing infill sites or converting nonresidential buildings.

See Programs 1 through 8 for proposed City actions to provide incentives and seek funding for affordable housing production.

Administration: Planning Department, City Administrator

Funding: General Fund, Marysville Community Development Agency

Timeframe: Conduct initial meetings with the Housing Authority and nonprofit organizations between January and June 2004. Meet annually thereafter.

Objective. Improve collaboration among public and private agencies that provide housing and supportive services to lower-income households.

PROGRAM SEVEN: Homeless Services

Description. Several facilities that provide shelter and services to homeless individuals and families are located in Marysville. These facilities serve clients throughout the Yuba-Sutter region.

Proposed Actions. The City of Marysville will continue to cooperate with homeless shelter providers to meet the needs individuals and families without permanent housing. In addition, the City will support the development of a transitional housing facility to assist such persons in returning to permanent housing. This program consists of the following actions:

- a. The City will allow for the expansion of existing homeless facilities and the siting of a transitional housing facility under its zoning code (see Program #2, Goal 1). Homeless/transitional housing facilities have, in the past, been permitted in multifamily and commercial zones, although not specifically defined or named as such in the City's Zoning Ordinance.
- b. The City will continue to provide environmental review or coordination services at no charge for homeless facilities.
- c. The City will meet with homeless shelter and service providers to determine future siting needs and the appropriate locations for such facilities.

Administration: Planning Department

Funding: General Fund, permit fees

Timeframe: Current and ongoing, 2003 – 2007; meet with homeless service providers annually beginning in first half of 2004.

Objective: Continue to accommodate homeless shelter and service needs in Marysville and ensure that one or more suitable sites for such a facility are provided for under the City's Zoning Ordinance

Goal Three: Improve/Conserve the Existing Supply Of Housing

POLICIES

Policy One: Provide property owners with assistance to inspect and identify code violations in residential buildings.

Policy Two: Continue to apply for state and federal assistance for housing rehabilitation for low-income households. Rental housing that is repaired with government assistance shall remain affordable to low-income households for a specified period of time.

Policy Three: Require the abatement or demolition of substandard housing that is not economically feasible to repair and which represents a health and safety threat.

Policy Four: Seek, through code enforcement, the private rehabilitation of substandard dwelling units and provide financial assistance, when available, to owners of dwelling units occupied by low-income households. In applying this policy, the City shall seek to avoid the displacement of low-income households.

Policy Five: Periodically survey housing conditions to maintain a current data base on housing repair needs.

PROGRAMS

PROGRAM ONE: Voluntary Inspections

Description. The City can assist property owners in addressing building and zoning code deficiencies by providing inspections services. While most code enforcement actions will occur on a complaints basis and focus on seriously substandard structures that represent a health or safety threat, some property owners may benefit from voluntary inspections, particularly in conjunction with the City's housing rehabilitation program.

Proposed Action. The City of Marysville will, on a request basis, arrange for an inspection of residential properties building code violations which should be corrected. A more comprehensive voluntary building code inspection would be performed by the Building Department for an inspection fee that covers the cost of this service, or at no cost to the property owner in conjunction with an application for housing rehabilitation assistance.

Administration: Building Department, Planning Department

Funding: Inspection fees, Marysville Community Development Agency, Rehabilitation Program funds (Community Development Block Grant, Home Investment Partnership Program)

Timeframe: Current and ongoing, 2003 - 2007

Objective: Increase the rate of compliance with City code requirements and participation in housing rehabilitation programs.

PROGRAM TWO: Code Enforcement and Abatement

Description. The City's 2001 Housing Condition Survey identified nearly 160 dwelling units in need of substantial rehabilitation or replacement. Some of these structures are unsafe to occupy and require immediate action to secure the safety of their occupants.

Proposed Action. The City will initiate appropriate code enforcement action on dwelling units that are so substandard that they represent an imminent threat to health and safety. The City will require that property owners comply with building code standards or remove such housing units. If necessary, the City will abate the unsafe building. These actions will be taken only in the most extreme cases in which the owner of the dwelling units is unable or unwilling to make necessary repairs, in which repairs are not feasible, or in which the dwelling unit has been abandoned.

Administration: Building Department

Funding: General Fund, code enforcement fees, Housing Rehabilitation Program funds

Timeframe: Current and ongoing, 2003 – 2007.

Objective: Correction of the most serious code violations among an estimated 160 dwelling units.

PROGRAM THREE: Rehabilitation/Acquisition of Substandard Dwelling Units

Description. The City has identified over 1,200 dwelling units in need of rehabilitation. Most of these substandard dwelling units are occupied by low-income households. Most low-income owner-occupants lack sufficient financial resources to obtain private funding for home repairs. Owners of rental units occupied by low-income households often cannot financially support repairs to dwelling units from the rents they can charge. The City's program has significantly improved the condition of housing in Marysville, but there are still a significant number of housing units in need of rehabilitation.

Proposed Actions. To encourage private rehabilitation efforts, the City will undertake the following actions:

The City will apply for and/or assist eligible households in applying for various private, state, and federal sources of funding for housing rehabilitation and home repairs, which would include the correction of health and safety hazards, weatherization, and the addition of space to alleviate overcrowding. The City will continue to contribute Marysville Community Development Agency housing set-aside funds, as available, to support its rehabilitation program. Owners of rental properties who are assisted in financing the rehabilitation of their dwelling units will be required to

rent the units to low-income households and to sign a rent limitation agreement for specified minimum time period.

The City will work with the non-profit housing organizations to identify sources of funding and arrange for the acquisition and rehabilitation of dwelling units that have been abandoned by their owners, vacated for an extended period of time, or in cases in which owners are unable to or do not wish to improve their properties. Acquisition will be by negotiated sale. Dwelling units that are rehabilitated under this program will be rented to low-income households. The City will provide assistance to nonprofit organizations in identifying and securing funds as specified in Program 2, Goal 2.

The City will apply annually for state funding, or as frequently as the City has the capacity to expend and manage grant funds. The City will promote the housing rehabilitation program through program information included in semi-annually in utility billings, brochures available at City Hall, the City's web site, and distribution of program information to property owners in targeted neighborhoods.

The City will maintain current information on the condition of dwelling units by periodically updating its housing conditions data base. Approximately every 5 years, the City will resurvey housing conditions to ensure the currency of its housing conditions information.

Administration: Planning Department and Building Department

Funding: Community Development Block Grant, Home Investment Partnership Program (HOME), Marysville Community Development Agency, Multifamily Housing Program

Timeframe: Housing rehabilitation and acquisition: current and ongoing, 2003 – 2007; housing condition survey update: 2006

Objective: Rehabilitate 100 dwelling units, 35 very low-income households and 65 low-income households

PROGRAM FOUR: Housing Replacement Relocation Assistance

Description. Code enforcement and housing rehabilitation have the potential to displace low-income occupants of substandard housing units. State law requires that dwelling units occupied by lower-income households that are demolished or converted in a redevelopment area be replaced at comparable cost to the units removed. At the present time, the City has not identified any specific dwelling units to be demolished or converted.

Proposed Actions. The City of Marysville will seek funding to pay for the relocation expenses of low-income residents displaced as a result of the condemnation or required vacation of dwelling units due to code violations. The City will require that displaced residents be given the right of first refusal to return to the dwelling units upon their repair. The City will follow the requirements of state law regarding the demolition or conversion of dwelling units occupied by lower-income households in the City's redevelopment area.

Administration: Planning and Building Departments

Funding: Community Development Block Grant, Home Investment Partnership Program, Marysville Community Development Agency

Timeframe: Current and ongoing, 2003 – 2007

Objective: Avoidance of permanent displacement and replacement of housing demolished as a result of code enforcement and implementation of housing rehabilitation program

Goal Four: To Conserve Existing Affordable Housing

POLICIES

Policy One: The City will seek to preserve the two affordable housing developments in Marysville.

PROGRAMS

PROGRAM ONE: Preservation of At-Risk Housing

Description. The Housing Element has identified two subsidized rental housing developments containing 168 rental housing units that could convert to market rate housing at some future time. In particular, Marymead Park is at highest risk for conversion within the next several years.

Proposed Actions. Marysville will require that the property owners of Marymead Park provide the City with at least one year advance notice of their intent to sell or convert their properties of market rate rental housing. If the owner expresses an interest in selling or converting their properties, the City will seek an interested investor or nonprofit housing corporation to acquire and continue operating the rental development for low-income households. The City will assist in identifying and applying for funds to maintain the affordability of rental units.

Administration. Planning Department, City Administrator

Funding. Multifamily Housing Program, , California Housing Finance Agency Preservation, Acquisition Financing Mortgage Insurance for Purchase/Refinance (HUD), Marysville Community Development Agency

Timeframe. Contact property owners during the first half of 2004 to determine future ownership plans; implement preservation strategy if owners indicate desire to sell or convert their properties

Objective: Preservation of 168 affordable rental housing units.

Goal Five: To Ensure Equal Housing Opportunity

POLICIES

Policy One: The City will continue to provide information and referral services to individuals with fair housing complaints.

PROGRAMS

PROGRAM ONE: Fair Housing Program

Description. Federal and state laws govern equal housing opportunity rights and responsibilities for lenders, real estate agents, advertisers, property owners, homebuyers, and renters. Many individuals

still face illegal discrimination in housing, however. The City can assist in promoting equal housing opportunity through education, regulatory agreements associated with financial assistance, and assistance in the referral of housing discrimination complaints. As part of program implementation, the City ensures that equal housing opportunity plans are implemented and all parties are informed of their rights and responsibilities under state and federal laws. The City has also maintained a single point of contact through the City Administrator's office to provide information on fair housing and refer complaints to the appropriate county, state, or federal agency or to legal aid organizations.

Proposed Actions. The City will continue its present information and referral services for equal housing opportunity. The City will provide published information from state and federal agencies that investigate housing discrimination complaints. The City will also assist individuals with complaints in contacting the appropriate agency and filing a complaint. The City will continue to designate a point of contact at City Hall for referral information.

Administration: Planning Department

Funding: General Fund, Community Development Block Grant, Marysville Community Development Agency

Timeframe: Current and ongoing, 2003 - 2007

Objective: Resolution or referral of fair housing complaints

Goal Six: To Promote Energy Conservation

POLICIES

Policy One: Continue to implement state energy-efficient standards.

Policy Two: Provide weatherization assistance to low-income households.

PROGRAMS

PROGRAM ONE: Implement State Energy Conservation Standards

Description. The State of California has adopted a number of energy conservation requirements for residential dwelling units. These conservation standards apply to all newly constructed dwelling units and additions to existing dwelling units. Conservation requirements address insulation; the amount and orientation of glazing; shading by landscaping, mechanical, and architectural devices; heating and cooling system efficiency; the amount and placement of thermal mass (materials that absorb heat during the daytime and release heat at night); and other aspects of building energy efficiency. The City is responsible for implementing the state's energy conservation standards. This includes the checking of building plans and other written documentation showing compliance and the inspection of construction to ensure that dwelling units are constructed according to those plans. The cost of enforcement is paid for from fees paid at the time plans are submitted.

Proposed Actions: The City will continue to require applicants for building permits to demonstrate compliance with the state energy conservation requirements at the time building plans are submitted.

Administration: Building Department

Funding: Permit fees

Timeframe: Current and on-going, 2003 – 2007

Objective: Compliance with minimum energy efficiency standards.

PROGRAM TWO: Energy Conservation Assistance for Low-Income Households

Description. Substantial energy conservation, and reduced utility payments, can be realized from weatherizing and insulating older dwelling units. Many low-income households and owners of rental units lack the financial resources, however, to undertake such home improvements.

Program Actions. The City will include weatherization and energy conservation as eligible activities under its housing rehabilitation program. The City will provide information and refer eligible property owners to other programs offered by Pacific Gas & Electric and nonprofit organizations. The City will promote weatherization and energy efficiency home improvement options through general advertisement of its housing rehabilitation program. The City will also refer interested individuals to energy rebate and conservation assistance programs offered by others and maintain information on these programs at City Hall. Information on other energy conservation and weatherization programs will be included in City mailings and advertisements of its housing rehabilitation program.

Administration: Planning Department

Funding: Community Development Block Grant, Home Investment Partnership Program (HOME), Marysville Community Development Agency, General Fund

Timeframe: Current and ongoing, 2003 – 2007

Objective: Weatherization and energy efficiency improvement of 100 dwelling units (shared objective with Program 3, Goal 3, housing rehabilitation program)

PROGRAM THREE: Design Guidelines for Energy Conservation

Description. A significant reduction in the consumption of energy can be achieved through building design and layout. The City can promote energy conservation through design guidelines.

Program Actions. The City will update the Design Review Manual to include guidelines for energy conserving building design, layout, and orientation.

Administration: Planning Department

Funding: General Fund, permit fees

Timeframe: Update design manual by December 2003

Objective: Reduce energy consumption in both new and existing structures through building design and layout that promotes energy conservation

Goal Seven: To Promote the Preservation of Historic Residences

POLICY

Policy One: The City will encourage the preservation of residential buildings with historic or architectural value.

PROGRAMS

PROGRAM ONE: Document and Preserve Historic Resources

Description. The preservation of historic resources requires proper documentation and maintenance of an inventory of such resources. The City can assist in the preservation of historic resources through designation of areas of the City with a concentration of such resources, enforcement of development standards that promote preservation, and the provision of financial assistance to property owners.

Proposed Actions. The City will undertake the following actions to document and preserve historic resources:

- a. Maintain a list of residential structures that are of historic or architectural value. The list will be compiled from information provided by the National Register for Historic Places, the State Office of Historic Preservation, and local historic preservation societies. The list will be updated as new properties become eligible or are identified by local organizations, or as the status of existing properties in the inventory change. The City will provide copies of the inventory at City Hall upon request.
- b. To preserve historically and architecturally significant buildings, the City will undertake the following actions:
 - When considering development or rehabilitation activities, the City will evaluate the potential impact of such activities on historic properties. Higher priority in funding decisions will be given to eligible projects with objectives that include the preservation of properties identified as historic by a federal, state, or local agency.
 - The City will continue to maintain a Historic design district overlay zone and require Planning and Historic Preservation Commission review of significant development proposals and significant modifications to historic structures within the zone. The City will continue to provide public information on the historic district review process at its permit counter and will post such information on the City's web site.
 - Property owners who wish to alter or convert historic structures will be required to follow state historic preservation guidelines. The demolition of such structures will not be allowed unless the property owner has first offered the property for sale to a public or private organization to preserve the property, and there has been no willing buyer; or, unless the property represents an immediate threat to public health and safety.
 - In public meetings and hearings on proposed activities involving the use of public funds for development or rehabilitation, the City will invite the public to comment on the potential impact of such activities on historically significant sites. Notices of such meeting and hearings will include language inviting such public comment.
 - The City will update the list of historic properties in 2004.

- The City may exempt property owners from specific historic preservation requirements, to the extent it has the authority to do so, if such requirements would conflict with handicapped access, energy conservation, seismic safety retro-fitting, or if the strict application of historic preservation requirements would impose an unreasonable economic hardship on the property owner. Any such decision would be made on case-by-case basis.

Administration: Planning Department.

Funding: General Fund, Marysville Community Development Agency

Timeframe: Current and on-going, 2003 – 2007; update annually as property status changes

Objective: Maintenance of city-wide list of historic residences.

C. SUMMARY OF QUANTIFIED OBJECTIVES

	Very Low	Low	Moderate	Above Moderate	Total
New Construction	16	51	7	105	179
Rehabilitation	35	65	0	0	100
Preservation of Affordable Rental Housing	168	0	0	0	168



APPENDIX A: PUBLIC PARTICIPATION

Public Notice Distribution List

Mara Feeney
19B Beaver Street
San Francisco, CA 94114

Central Valley Homeless Veterans Assistance Program
P.O. Box 1409
Marysville, CA 95901

FREED, Center of Independent Living
508 J Street
Marysville, CA 95901

Yuba Sutter Economic Development Corporation
1300 Franklin Road
Yuba City, CA 95991

Yuba County Community Development Department
938 14th Street
Marysville, CA 95901

Yuba County Library
303 Second Street
Marysville, CA 95901

Marysville Joint Unified School District
1919 B Street
Marysville, CA 95901

Yuba Community College District
2088 North Beal Road
Marysville, CA 95901

Sacramento Area Council of Governments
300 S. Street, Suite 300
Sacramento, CA 95816

Yuba County Superintendent of Schools
938 14th Street
Marysville, CA 95901

California Exceptional Peoples
500 Olive Street
Marysville, CA 95901

Salvation Army
408 J Street
Marysville, CA 95901

Yuba-Sutter Respite and Community Services
423 4th Street
Marysville, CA 95901

Mental Retardation Service
5876 Lindhurst Ave
Marysville, CA 95901

Yuba County Housing Authority
938 14th St
Marysville, CA 95901

Richland Housing Center
448 Garden Hwy
Yuba City, CA 95991

Alta Regional Center
1506 Starr Dr # A
Yuba City, CA 95991

Public Notice

PUBLIC NOTICE OF WORKSHOP BEFORE THE CITY OF MARYSVILLE CITY COUNCIL AND PLANNING COMMISSION ON THE 2002-2007 HOUSING ELEMENT UPDATE

Note: Similar notices were issued for the following public hearings: February 17, 2003 Planning Commission public hearing on the draft Housing Element, February 26, 2003 City Council public hearing on the draft Housing Element, March 27, 2003 Planning Commission public hearing on the final Housing Element, and April 1, 2003 City Council public hearing on the final Housing Element.

NOTICE IS HEREBY GIVEN that the City of Marysville will conduct a public hearing on January 15, 2003 at 6:00 p.m. at City Hall 526 C Street, Marysville, in order to solicit comments regarding updating the City's General Plan Housing Element for the 2002-2007 period pursuant to the update cycle for jurisdictions within the Sacramento Area Council of Governments region. The Housing Element identifies strategies and programs that focus on: 1) the preservation of affordable housing; 2) housing and neighborhood conservation; 3) production of housing; 4) provision of adequate housing sites; 5) removal of governmental constraints; and 6) promotion of equal housing opportunities.

The public is encouraged to attend the public hearing, to ask questions, and to express their viewpoints. The public is also invited to inspect the public information file on the program at City Hall between the hours of 8:00 a.m. to 5:00 p.m. on weekdays.

Copies of the current 1997 Housing Element are available for review at the Planning Department at 526 C Street, Marysville, and at the Yuba County Public Library located at 303 2nd Street in Marysville

Any person wishing to comment on this matter may attend the public workshop and be heard and may also submit such comments in writing to Gary Price, Community Development Coordinator, City of Marysville, P. O. Box 150, Marysville, CA 95901 FAX: 530.749.3904 Email: gprice@marysville.ca.us on or before January 10, 2003.

Public Comments

January 15, 2003 Joint City Council/Planning Commission Workshop

Les Pogue, Salvation Army: The Salvation Army handles up to 58 people, 25 families, are housed up to 6 months. Clients are experiencing serious problems right now. Previously, they only were allowed to stay for 4 months (10 years ago), but the Salvation Army gave them first and last month's rent when they left. About 70% of clients graduate from drug rehabilitation programs. The Salvation Army wants to set up transitional housing programs for these clients. The population in need has grown tremendously since 2000, and rents have gone up considerably. Mr. Pogue stated that the situation is worsening rather than improving. There are long waiting lists for available low-income homes. He noted the average number of beds to fill increased from 48/month to 52/month in the past year. He asked the Council to consider restrictions to tenants that have prior eviction, poor credit, and have income requirements.

Summary of Written Comments

California Department of Transportation

- Caltrans is ready to assist the City with identification of potential impacts for the expansion of the City beyond its present borders.
- We applaud the City of Marysville for its infill housing development policy, as it will make the most efficient use of existing resources.
- Housing subdivisions should be evaluated collectively, as opposed to on a piece-meal basis. *[Note: The City believes that it has taken a comprehensive approach to evaluating residential development through General Plan and other planning policies that have been adopted to guide residential development.]*
- The Housing Element should consider the placement of housing relative to employment centers. *[Note: the Housing Element indicates that most of the sites for the development of housing through 2007 are in or near the central city area with access to transit and services.]*
- A stronger emphasis should be made on developing housing in concert with the necessary improvement to the multimodal transportation system. *[See comment immediately above.]*

California Rural Legal Assistance:

- There were several apparent inconsistencies in households, housing unit, and affordable rental housing numbers. *[Note: these were either corrected in the final Housing Element or explained as differences in the 2000 Census sample data.]*

- We suggest that the City encourage and support the Yuba County Housing Authority to participate in the federal Section 8 homeownership program and discuss with the Housing Authority the difficulty in finding landlords willing to participate in the housing voucher program. It is extremely difficult for poor families to find decent rental housing. CRLA is especially concerned that ensuring the relocation of displaced tenants be a priority for the City. *[Note: Goal 2, Policy 5, Programs 2 and 6 address the City's role in supporting Yuba County and the Housing Authority. Goal 3, Policy 4, Program 4 set forth a specific commitment by the City to minimize residential displacement and assist low-income tenants.]*
- The City has noted it was unable to preserve a 76-unit affordable rental housing project. This suggests more detail is needed in the City's program for preserving at-risk housing. *[Note: Goal 4, Policy 1, Program 1 sets forth a specific commitment by the City to facilitate the preservation of existing affordable rental housing.]*
- Data concerning family size, household size, and income is important. However, the draft does not describe clearly what the relevance of difference is among various population groups (such as Hispanic households). *[Note: the City has clarified that some population groups, such families of Hispanic origin, tend to have lower median incomes and larger average family sizes, which increases the challenges for many of these families in finding sound, affordable housing of sufficient size to meet their needs.]*
- It merits a discussion as to why Hispanic residents in Marysville are less likely to be homeowners than non-Hispanic residents and what the City can do to ensure equal housing opportunity. *[Note: the City has clarified that homeownership is closely related to income and the ability to qualify for home financing. As a group, families of Hispanic origin have significantly lower incomes on average.]*



APPENDIX B: HOUSING SURVEY METHODOLOGY

The City of Marysville contracted with Mercy Housing California (MHC) for services to conduct a housing conditions survey within the city limits.

The purpose of the housing conditions survey is to provide an assessment of the condition of the housing stock within the City of Marysville. This information will then be used to assess the need for housing rehabilitation programs and/or identify specific strategies for low and moderate-income rental housing and owner-occupied housing. Specifically, the surveys allow the City to determine the total number of residential units within the city and to categorize the number and types of units according to rehabilitation need.

A Mercy Housing California Rehabilitation Inspector conducted the visual assessment. An assistant, throughout the late summer/fall of 2001, recorded information while MHC's Project Assistant tabulated data collected. The survey instrument used was the housing conditions survey form provided by California's Department of Housing and Community Development Community Development Block Grant Program. The surveys consisted of exterior assessments and thus do not reflect interior conditions.

The housing conditions survey instrument rates the conditions of five housing elements: foundation, roofing, siding/stucco, windows and electrical. The units are identified by address and provided with a rating for each element from 0 to 25 with 0 representing good condition to 25, indicating replacement was needed. The total score from the five ratings determine the overall assessment, which is categorized as follows according to the state of California:

Assessment	Points	Description
Sound	9 or less	Structurally sound - no need of repair or signs of deferred maintenance
Minor	10 – 15	Appears structurally sound, but shows signs of deferred maintenance—i.e. roof replacement needed
Moderate	16 – 39	Repairs needed for at least one major component and other repairs—i.e. roof replacement, painting, and window repairs
Substantial	40 – 55	Replacement need for several major systems and possibly other repairs—i.e. complete foundation work and roof replacement, along with painting and windows
Dilapidated	56 and over	Structurally unsound—all systems need repair. May need demolition if not major rehabilitation.

It is important to note when reading housing condition data, that units are evaluated from the exterior only. While a drive-by inspection can determine whether or not a home needs a new foundation or a

roof, it cannot identify whether the plumbing needs to be replaced or whether the home has an unsafe electrical system. However, the status of the items evaluated does suggest the condition of the overall structure. For instance, a wood frame home that does not have a foundation will probably have an old electrical system. While the overall rating system accounts for this, the specific interior needs of any particular unit are not known until a housing inspection is conducted.

The City of Marysville's Housing Conditions Survey revealed that 20% of the city's housing stock is in need of rehabilitation. This percentage has decreased over the past decade from 38%, in part because of the Housing Rehabilitation programs that the City of Marysville has operated. Still, more than 10% of the homes are considered in substantial need or dilapidated. There are nine streets that are considered to have 100% rehabilitation need, with units in need of minor repair to those that are totally dilapidated. This area of higher rehabilitation need is concentrated in west Marysville.



APPENDIX C: FEDERAL FUNDING FOR ASSISTED RENTAL HOUSING

Most federally funded rental housing developments at-risk of conversion were funded under one or more of several programs described below.

Section 8: Section 8 is a rent-subsidy program in which tenants pay 30% of their incomes for rent and utilities and the federal government pays the difference, up to the contract rent amount. The Section 8 projects listed in this inventory have federal subsidies that are attached to those projects rather than housing vouchers, which are assigned to individual tenants. Many federally-assisted mortgage programs have project-based Section 8 subsidies in addition to the assisted mortgages. Other projects have project-based Section 8 with financing that does not carry low-income restrictions (whether federally-insured or not). Project-based Section 8 contracts originally carried terms of up to 20 years, except for those financed by the California Housing Finance Agency (CHFA), which had terms of 30 years. Project-based Section 8 contracts started to expire in 1997. They can now be renewed for one, five, ten or twenty year terms. However, the renewals are subject to annual appropriations by Congress.

Section 202: The Section 202 program helps expand the supply of affordable housing with supportive services for the elderly. The federal government provides capital advances to finance the construction, rehabilitation or acquisition with or without rehabilitation of structures that will serve as supportive housing for very low-income elderly persons and provides rent subsidies for the projects to help make them affordable.

Section 221(d)(4). This program provides federal mortgage insurance with a subsidized interest rate of 3%. Loans are for 40 years and can be prepaid in 20 years. Affordability is maintained by the Section 8 contract. Most of these loans were restructured under the federal preservation programs adopted in the early 1990's.



APPENDIX D: INCOME DEFINITIONS

The following definitions are used to define income levels:

- Very Low-Income: 31 to 50 percent of the Yuba County Median Income
- Low-Income: 51 to 80 percent of the Yuba County Median Income
- Moderate-Income: 81 to 120 percent of the Yuba County Median Income
- Above-Moderate-Income: More than 120 percent of the Yuba County Median Income

Each year, the U.S. Department of Housing and Urban Development (HUD) estimates median family incomes for each urban area and county in the country. Based on the estimate, HUD revises its guidelines for income levels by household size. The California Department of Housing and Community Development uses these federal income guidelines to define income levels by household size in California. Table D-1 contains the 2003 income guidelines.

Table D-1: Income Limits by Family Size (2003)

Income Group	1	2	3	4	5	6	7	8
Very Low Income	\$15,900	\$18,150	\$20,450	\$22,700	\$24,500	\$26,350	\$28,150	\$29,950
Lower Income	\$25,400	\$29,050	\$32,700	\$36,300	\$39,250	\$42,150	\$45,050	\$47,950
Median Income	\$31,800	\$36,300	\$40,850	\$45,400	\$49,050	\$52,650	\$56,300	\$59,950
Moderate Income	\$38,150	\$43,600	\$49,050	\$54,500	\$58,850	\$63,200	\$67,600	\$71,950

Source: California Department of Housing and Community Development

Notes:

Yuba County Median: \$45,400 Higher income limits apply to families with more than eight persons. For all income groups, the income limits for families larger than eight persons are determined as follows: for each person in excess of eight, add eight percent of the four-person income limit base to the eight-person limit, and round the answer to the nearest \$50. For example, the nine-person very low income limit for Yuba County is \$31,750. ($\$22,700 \times .08 = \$1,816$; $\$29,950 + \$1,816 = \$31,766$; $\$31,766$ rounded = $\$31,750$)

Authority: Section 50093, Health and Safety Code. Reference: Sections 50079.5, 50093, and 50105, Health and Safety Code.



APPENDIX E: STATE GUIDELINES FOR PROGRAM EVALUATION

State law (California Government Code section 65588 (a)) requires each jurisdiction review its housing element as frequently as appropriate to evaluate:

- the appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the state housing goal,
- the effectiveness of the housing element in attainment of the community's housing goals and objectives, and
- the progress of the city, county, or city and county in implementation of the housing element.

According to the California Department of Housing and Community Development (HCD), *Housing Element Questions and Answers: A Guide to the Preparation of Housing Elements*, the review is a three step process:

- Review the results of the previous element's goals, objectives, policies, and programs. The results should be quantified where possible (e.g., the number of units rehabilitated), but may be qualitative where necessary (e.g., mitigation of governmental constraints).
- Compare what was projected or planned in the previous element to what was actually achieved. Analyze the significant differences between them. Determine where the previous housing element met, exceeded, or fell short of what was anticipated.
- Based on the above analysis, describe how the goals, objectives, policies and programs in the updated element are being changed or adjusted to incorporate what has been learned from the results of the previous element.